The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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In the Fields of Finance and Reconstruction

SATURDAY, DECEMBER 12, 1931 VOLUME 59, NUMBER 2

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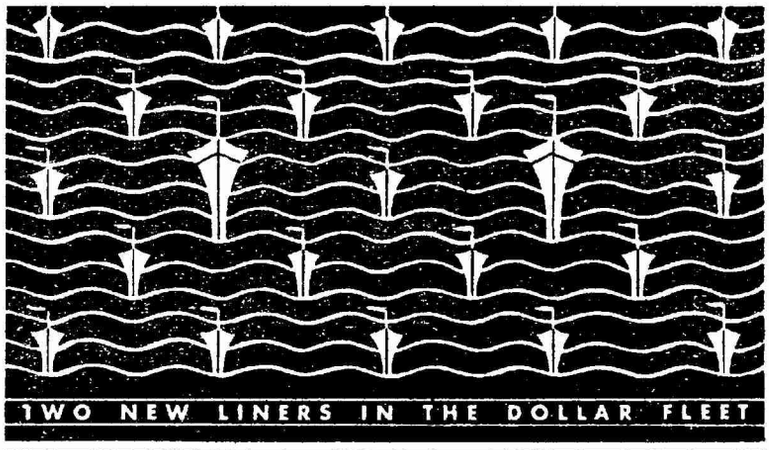

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密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 59 | Shanghai, China, Saturday, December 12, 1931 | Number 2

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 38 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; HOH CHIEH-SHIANG, Asst. Editor; ROY P. McNAIR, Jr., Advertising Manager; F. K. CHAO, Business Dept.

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 38 AVENUE EDWARD VII. SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS" COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

WASHINGTON OFFICE
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CHINA NOT DOING SO BADLY WITH HER SILVER STANDARD

ALTHOUGH the Kemmerer Commission recommended the eventual adoption of the gold standard for China, there are many indications that had China had the gold standard now or during the years of the World War and since, she would not be so well off as at the present time. China has now gone through the experience of seeing its silver standard stand the test of the most violent fluctuations that the white metal has known in history—and China has not been "caught," as many gold standard countries have been. Shortly after the world war the Chinese dollar was worth more than the gold dollar. China didn't lose anything by that, certainly not. She was able to pay her foreign debts to exceptionally good advantage. Last year and this year China has seen her standard drop so low that it at times took five Chinese dollars to buy one gold dollar. That certainly was hard on China for the time being, but China is coming through the experience much better than are many countries who made a pretence of holding on to the gold standard, but without the strength to maintain it. Certainly China's foreign debt was a heavier burden at five to one than at one (or less) to one, but in the meantime China has increased her Customs revenue very considerably by heavier duties, and is "carrying on." Incidentally also it is to be noted that the greater part of China's foreign debt is carried in pounds sterling. The pound has dropped below its gold par by more than a third during the past several months, and in the meantime the general tendency for silver has been upwards, so that China's foreign debt is not proving such a heavy burden after all. In the words of Mr. E. Kann, Shanghai's leading financial writer, who addressed the Rotary Club December 3, "China has been very lucky in that she had not adopted the gold standard. The low price of silver has been a boon to this country and helped to develop her industries. The present crisis in Great Britain has given further advantages to China. This country collects her customs dues on a gold basis, but she owes considerably to foreign countries, chiefly in pounds sterling. Due to the break of the English pound, China, in paying from seven to eight million pounds interest, saves now about 30 per cent."

CHINESE STUDENTS CONTINUE DEMONSTRATIONS

In the night of December 9 a mob of several thousand Chinese students surrounded the Administration Building of the Municipality of Greater Shanghai and vociferously demanded that one of their comrades who had been arrested by the police earlier in the day should be released. They enforced their demand with a threat to wreck the building. At the same time the mob forced Mayor Chang Chun and his staff into the building and threatened their lives in case they attempted to leave. While the students in Shanghai were preparing for their demonstration in the afternoon a group of students at the railway station of Chenju, several miles Nankingwards from Shanghai, wrecked the station there and during the night and early morning commenced a march down to Shanghai with the object of joining their comrades here.

Mayor Chang Chun, from the very start, indicated that he was willing to grant the students not only their demand that their arrested fellow-students should be released, but also that other demands that they had made should be granted, among them that Col. Shen Hsi-shen, Chief of the Public Safety Bureau, should be dismissed. The police on duty at the Administration building were disarmed by Mayor Chang, this being done at the request of the students. At the moment of writing the Bureau of Public Safety has declared martial law and the French authorities have adopted the policy of closing during the night the large iron gates which separate the French Concession from the Chinese-controlled districts at the important street intersections.

THE Chinese students in all parts of China continue to furnish excitement. In Peiping, in Tientsin, in Shanghai, and elsewhere, they have all adopted the same tactics—namely, proceeding to the railways stations, demanding free transportation to the Capital for the purpose of insisting that the National Government shall change its policy from one of non-resistance to one of actual war against the Japanese. Whenever their demands are not promptly complied with, they have adopted the expedient of threatening the railway officials, intimidating the employees, in some instances hinting that they would burn down the property, and on top of all this taking turns at lying down on the railway tracks and by this maneuver impeding all traffic. These tactics have in most cases proved successful in inducing the railway officials to grant them what they have demanded—namely a free trip to Nanking. At Peiping on December 7, after having adopted the tactics as above described, the students gained their object and accordingly a long train packed with students pulled out of the station early in the morning bound for Nanking. In the meantime all other traffic had been practically suspended. At Shanghai several hundred students stormed the Shanghai-Nanking railway station on various occasions and held up the traffic by the same tactics. The local railway authorities had promised the students the transportation that had been demanded, but they were overruled by an order from Nanking flatly refusing to accede to their demands. The infuriated students thereupon made a gesture of walking to Nanking and, although they gave up the attempt after having proceeded for about five miles, they at least had the "satisfaction" of knowing that they were able to make their resentment felt in that they once more held up the outgoing night express, which had pulled out from Shanghai at noon December 7 after having been delayed from the night before. When it got as far as Chenju, where the walking students had assembled, its further progress was impeded, so the crew brought the train back to Shanghai again. The long delayed express eventually got away without further incident about eight o'clock in the evening.

In the meantime the Foreign Office officials at Nanking, and particularly the newly appointed Foreign Minister, Dr. Wellington Koo, adopted the policy of keeping out of sight. When the students from Peiping, Tsinan and other points arrived at the Capital during the early days of this week they could not locate either the Foreign Minister or his staff. Instead of seeing the Foreign Minister what the students saw was a cordon of several hundred police and soldiers, who were ready for eventualities, but carrying no firearms. The Fire Brigade also was on hand, with hoses ready to drench any of the students who might become recalcitrant.

The general policy of the Nanking authorities in dealing with the student situation is illustrated by the procedure adopted during December 6 and 7. After the students from the North who had assembled at the Capital had stood around for the greater part of a day and way into the night, they were taken in hand by the Nanking garrison authorities, conveyed in buses to Hsiakwan (the river front at Nanking), put on the ferry across the river, and at Pukow, the southern terminus of the Tientsin-Pukow railway, they were put on a train specially provided for them, which in due course took them to their homes in Peiping and stations enroute. They were furnished with an "escort" of the National Guards.

The Nanking authorities are to be congratulated on handling a difficult situation most admirably. Had the Shanghai Foreign Municipal police acted as wisely on May 30, 1925, the historical Incident would never have taken place. Students in all countries are accustomed to work off their exuberant emotions with "stunts" of various kinds. Whatever criticism is to be levelled at the Chinese students for their rash actions, it must be borne in mind that they are not out merely for a "lark," as many students in other countries are when they engage in similar demonstrations. Any one who looked at the countenances of these students as they were assembled at the railway stations could see that they were sincere and in earnest. It was not in a spirit of hilarity that they had gathered together. They had a serious purpose in view. They feel that the affairs of their country are not being handled properly and they believed that their protests and agitation would lead the responsible authorities to give their country's affairs more earnest

attention than they are giving it at the present time.

One of the points to be noted in connection with the ebullitions of the Chinese students is that they have been "fed" on rather highly-spiced text books. Without actually distorting the facts, many of the statements in the Chinese school books are likely to give a wrong impression. In saying this it is also to be noted that the same thing is true of many other countries, America included, although probably not to the same extent now as in former years. Henry Ford in his famous libel suit against the *Chicago Tribune* when cornered concerning some historical fact on which he was being questioned blurted out, "History is bunk." The famous motor car manufacturer was just a little too extravagant in his statement. But it is a fact that a great deal of the "history" on which the students of most countries—including China—are nurtured *is* "bunk."

CHINESE EDUCATION IN THE FOREIGN MUNICIPALITY

LET no foreigners in China lose sight of the fact that despite all the confusion and quarreling that goes on in this country, the old position of foreign dominance is rapidly disappearing. In the Maritime Customs, in the Foreign Settlements, and in other institutions in which for many years the foreign influence had been dominant, the Chinese are day by day quietly taking the power into their own hands, and one sees little diminution of the process even with all the dissension and confusion that apparently exists. A notable example of the tendency has just occurred in Shanghai. Belatedly, the Shanghai Municipal Council, through its publicity department, announced in the beginning of the week that the Education Bureau of Greater Shanghai is by Chinese law the proper authority to exercise control over the non-Municipal schools in Shanghai, and accordingly "the logical result of this situation would be the acceptance by the Council of the Education Bureau's recommendations of a Chinese school within the Settlement as proof of that school's qualification for a municipal grant-in-aid." In a letter to General Chang Chun, the Mayor of Greater Shanghai, the Board of Education of the Foreign Municipality said: *"For Chinese schools it is expressly stated that they should conform to the regulations and requirements of the Chinese Government."* The Council's Education Board in the same letter to the Greater Shanghai Mayor said: "The Board would welcome the recommendations of the Commissioner of Education for the Municipality of Greater Shanghai."

Thus the efforts which the Commissioner of Education of the (Chinese) Municipality of Greater Shanghai has been making for the past several years to have the Chinese schools in the foreign-controlled part of Shanghai brought in as part of the general educational program of China have been crowned with success.

It is *apropos* in this connection once more to state that the one chance which the Shanghai Foreign Municipality, or any other municipality in China, has to continue as a special entity apart from the control of the Chinese Government, is that by its foresight, ability and general administrative progressiveness, it demonstrates that it can give not only the foreign community, but the *Chinese* community, as good an administration if not a better one, than they could enjoy if they lived in a purely Chinese-controlled area. In some respects the Shanghai Municipality has done so—in the great majority it has not. The Foreign Municipality of Shanghai should have been a leader in this matter of giving the Chinese community educational facilities instead of being "coerced" to do so. And while the Foreign Municipality is about it, it might also give its attention to education in another direction—namely the establishment of a really adequate Municipal Library, with nominal fees, instead of fees as at present, which in practice attract only a very few subscribers. The ultimate aim should be of course to provide the whole community, foreign and Chinese, with free educational facilities, both in the schools and in libraries as is the case in the United States and many other countries. It is quite true that the Chinese in Chinese-controlled areas are not given such free educational facilities, but that is no reason why the Foreign Municipality should not aim to provide them. Let it be stated once more that Foreign Municipal administration will in the end stand or fall by its adoption or failure to adopt an enlightened policy. For the moment it may be able to rely on force, paid for by the taxpayers of foreign countries, but when once the taxpayers of England, America and other countries awake to the real situation they will refuse to continue to bear a taxation burden for the benefit of a few thousand of their fellow nationals living on the other side of the Earth.

WHERE THE JAPANESE SHOE PINCHES

BENJAMIN Franklin, America's pioneer philosopher, in his "Poor Richard's Almanack," said something about the generation that fights a war not paying for it; it was the subsequent generation that had to pay for it. The truth of this homely statement was never better illustrated than by the present world-wide economic crisis, which it is now generally agreed has many of its roots in conditions caused by the Great War. As regards the military operations which the Japanese are carrying out in Manchuria there is, however, a great deal of evidence to show that the present generation of Japanese will have to pay in at least two different ways for the adventure which the Japanese militarists have staged in Manchuria; that is, the taxation will be increased almost immediately to make up the Ministry of War's deficit, while at the same time the mercantile community, already in the slough of despond because of the world-wide economic pressure, is being saddled with enormous losses caused by the very effective boycott which the Chinese are waging against Japanese wares of all descriptions. The Chinese boycott is being carried on vigorously—the occasional raids of the Anti-Japanese Association, who take upon themselves the "duty" of forcibly

removing Japanese goods from private premises, being but the froth of a wide-spread economic movement which has very materially hurt Japanese trade in all parts of China, including Manchuria, where for the moment the Japanese military has the upper hand. Looked at from one point of view the Japanese militarists did the "clever" thing when they launched their adventure during the period of a world-wide economic crisis, as that very fact made all Western nations very chary about launching any military expedition in a far-distant region of the world. But looked at from another point of view the Japanese militarists have acted most foolishly, as they have saddled their country with heavy military expenses when the nation is already groaning under the heavy incubus incidental to the world-wide crisis, made all the more galling because the result has been to shut off a very large part of Japan's trade with China and thereby made it all the more difficult for the Japanese nation to bear a still greater burden of taxation.

During the past several months every ship leaving Japan has carried away huge shipments of gold. Week after week the telegrams said *that* particular shipment was going to be the "last" one, but the shipments continue, with the result that more than Gold $150,000,000 worth of gold has left Japan's shores during the past several months. Although it has been stated again and again that Japan does not intend to stop gold payments, the indications are that Japan will follow England in refusing to honor its paper currency with gold, in the very near future and for the same reason—Japan has not been able to pay its debts with goods and its creditors had not enough confidence to wait for the future; they want spot cash, *in gold*. The balance of gold in Japan is becoming perilously small and a break in Japan's currency is due at any moment. But it is in the shipping industry that the "shoe pinches" particularly painfully. In the words of the Tokyo correspondent of the semi-official *Rengo* service, the growing number of idle Japanese ships at present is "simply surprising." More than 400,000 tons of shipping are at present tied up, this not including vessels below 1,000 tons, whose trade has also slumped heavily. The consequent unemployment among Japanese seamen has become a matter of serious concern for the Japanese authorities.

TWO CHINESE MINISTERS RESIGN —AND REMAIN

IN a country as large as China, were kaleidoscopic changes are being made with great rapidity, more rapid even than in America with all its "hustle," it has been inevitable, particularly at this time when the country is faced with the problem of how to meet the situation caused by a clever, efficient and unscrupulous invader, that a certain amount of friction should develop between the leaders. In the confusion that inevitably is engendered by the existing state of affairs personal susceptibilities are frequently wounded, perfectly honest and unselfish actions are misinterpreted, and this or that official is blamed for an action or a consequence which either he has had nothing to do with, or if he has been connected with it, it has been in the ordinary course of following out instructions from some superior authority. Somewhere within this general statement will probably be found the reasons for the almost simultaenous tendering of their resignations by Dr. Sao-ke Alfred Sze, the Chinese Minister to England, from his post as chief Chinese delegate to the League of Nations, and of Dr. Wellington Koo, the recently appointed Acting Minister of Foreign Affairs. Both of them have been induced by President Chiang Kai-shek to continue in their duties—and they have consented to do so, at least for the time being. Dr. Sze telegraphed his resignation from Paris December 5 giving as his reason that he had been hampered in the performance of his duties by Chinese Overseas delegates in Europe calling on him and presenting two demands—that he should stop attending sessions of the League of Nations Council, and that he should start negotiating for the withdrawal of China from the League of Nations. Dr. Koo tendered his resignation personally to President Chiang, stating that he was working at his office 20 hours a day and that he found himself unable to bear the mental strain which his office involved.

Japan "Orders" All Chinese Troops Out of Manchuria

NOT since the Great War has the peace of the world been so greatly menaced as at this present moment. The calm assurance of the Japanese Government—for now it seems that the War Office has carried the Foreign Office with it on the wave of popular enthusiasm—in announcing in Tokyo December 8 (according to the *United Press*)* that no Chinese troops are to be permitted in Manchuria and that the Japanese Army is to assume "entire responsibility for maintaining order in Manchuria" surpasses in gravity anything that has occurred since the Austro-Hungarian government in 1914 made impossible demands on Servia, and thereby precipitated the World War. Despite the announcements made by various governments in past years that they recognize Manchuria as an integral part of China, the little Island Empire has now the "impudence"—no other word correctly describes the Japanese action—to declare that the Chinese army may not function in a very large area of its own territory. Thus is insult and humiliation heaped upon a nation which has recently undergone the devastation of one of the greatest floods in history and which has patiently borne its sufferings up until this time. The Japanese Government has followed up this audacious announcement of ordering all Chinese troops out of Manchuria by materially increasing its military strength in that region, ostensibly with the idea of carrying out operations against bandits. The news from Tokyo indicates that Japan will go through the farce of demanding through the Council of the League of

*Official denials that such a statement was made have since come from Tokyo, but there has been no denial that this will not be the Japanese policy.—Ed C. W. R.

Nations (and through the Chinese National Government in Nanking) that "so as to avoid further hostitlities" all regular Chinese troops now at Chinchow and at other points in Manchuria be withdrawn within the Great Wall.

The situation being what it is, one can easily see the point of view of the Overseas Chinese in Europe who called on Dr. Alfred Sze in Paris and urged him to start negotiations to have China withdraw from the League of Nations. Certainly so far the League of Nations has done nothing for China except—to use that expressive slang phrase—"soft soap" her. *The Review* has of late not been paying much attention to the long telegrams from Paris giving an account of what the Council of the League of Nations has been doing. The League Council for the past several weeks has been pussyfooting and beating about the bush—all too evidently afraid to assume the role for which it was founded. The almost daily statements that a way was being found out of the Manchurian impasse, and the continued expression of a "hope" that the Japanese would not advance and that both sides would refrain from provocative actions, were becoming tiresome. About the most welcome news that has come from Paris for some time was a telegram from December 8 that the "negotiations regarding Manchuria which the Council of the League of Nations has been conducting are now approaching a close." In view of the farcical nature of the proceedings at Paris it would probably have been better if the Council had abandoned its sittings several weeks earlier. The League would have saved considerably in prestige and also in expense.

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This new Japanese maneuver has certainly startled the Chinese people but it has not cowed them. The students, particularly, have become more wrought up than ever before, and many tens of thousands of them at the Universities and schools have gone on strike to register their dissatisfaction with the non-resistance policy of the Chinese government. The effect on the Southern Chinese also will undoubtedly be electrical. Already the telegrams from southern cities indicate that both the Kwangtung and Kwangsi factions intend to mobilize for action in Manchuria. Their spirit will probably be greater than their accomplishment, as Manchuria is far away from South China and the means of getting there are limited, but it is to be remembered that the Chinese outwitted the Japanese in their march northwards several years ago, and Fate may give them the chance to do so again.

The situation was further aggravated by the news brought by a Japanese semi-official *Rengo* telegram from Mukden December 7 to the effect that the customs administration in Manchuria will be placed under the control of a new state to be established shortly, it incidentally being mentioned that the new state would open negotiations with the customs consortium for financing loans to China with a view to deciding the amount of the loans it should undertake and the redemption measures; in the meantime it was stated that the customs income in Manchuria would be seized by the local authorities. Incidentally the Peace Maintenance Committee announced that "Liaoning" Province is in future to be known again as Fengtien Province and that all official seals will be changed accordingly.

In this connection. T. V. Soong, Minister of Finance, has announced through the Chinese news agency (*Kuo Min*) that if any interference with the functioning of the customs in Manchuria takes place or if any portion of the revenue is seized the custom houses there will have to be closed immediately. He added that the maritime customs is the principal credit instrument in China and any attempt at wrecking the integrity of the customs would be met drastically, and Japan would have to bear the full responsibility for the train of direct and indirect consequences resulting therefrom.

The crisis which faces China at the present time is the most serious since the days of the Boxer Rebellion, and there is no denying the fact that there is considerable difference of opinion among China's political, financial and commercial leaders as to how to meet the situation. With a view to getting an expression of views, Mr. Tai Chi-tao and Mr. T. V. Soong, respectively chairman and vice chairman of the Foreign Relations Committee, invited upwards of fifty of Shanghai's leaders in various fields to proceed to the Capital for a conference. Those invited to the Conference, were:

Dr. J. Usang Ly, president of Chiaotung University; Dr. T. H. Lee, president of Fuh Tang University; Dr. Ho Shih-tseng, president of Chih Tze University; Dr. Soumi Tcheng, president of College of Law; Dr. John C. H. Wu, president of Law School of Soochow University and adviser to the Shanghai Municipal Council; Mr. Chang Shou-yung, president of Kwang Hwa University; Mr. Tseng Hung-nien, president of Chinan University; Mr. Tsao Liang-sha, president of Tai Tung University; Dr. Herman Liu, president of University of Shanghai; Mr. Ou Yuan-huei, president of Ta Hsia University; Mr. Hu Shu-hwa, president of Tung Chi University; Dr. Wang Ching-chi, president of Labor University; Mr. Shih Liang-tsai, publisher of *Shun Pao;* Mr. Wang Beh-chi, General Manager of *Sin Wan Pao;* Mr. T. B. Chang, publisher of the *China Times;* Mr. Hwang Beh-hui, editor of the *Eastern Times;* Mr. Chien Chang-so, editor of the *Republican Daily News;* Mr. Hollington K. Tong, managing director of the *China Press;* Mr. Yu Ya-ching, China's shipping magnate; Mr. Wang Shiao-lai, chairman of the District Chamber of Commerce; Mr. Wang Yen-sung, member of the Executive Committee of the local Tangpu; Mr. Wang Yung-wu, managing director of the Commercial Press; Mr. Ching Jen-ching, chairman of the Exchange Shops Association; Dr. David Yu, chairman of the National Christian Council; and Messrs. Yeh Hui-chun, Koo Hsing-yi, Chu Ying-kiang, Chang Kia-ngau, Li Ming, K. P. Chen, K. H. Ling, Singloh Hsu, T. C. Wu, Tang Shou-ming, Chou Tso-ming, T. C. Chen, H. P. Swun, C. T. Yeh, Hsu Chi-chun, Ma Hsiang-beh, Huang Jen-tze Shen, Hsing-ching, Tsu-hui-tseng, Mao Ou-tsu, Chang Shih-gien, Yao Tze-long, Yang You-jen, P. K. Chu, and Doo Yueh-sen.

Carrier Pigeons Aid Japanese Army in Manchuria

A special telegram from Mukden, Dec. 7, to the *Shanghai Evening Post* makes note of the services rendered in the present Manchurian expedition by the Japanese carrier pigeon department. Several instances were cited where carrier pigeons had saved the lives of Japanese contingents operating far from their bases when surrounded by hostile Chinese forces. In one case where a small Japanese force was surrounded and outnumbered 30 times, the force would have been annihilated but for the fact that a carrier pigeon managed to reach the base, carrying news of the situation and thereby bringing about the dispatch of reinforcements.

Southern Delegation Returns to Shanghai for Another Conference

THE Southern faction, or as it styles itself the "National" Government of China—although the regime at Nanking is the one that has been recognized by the Foreign Powers as the legitimate bearer of that title—is once more sending a delegation to Shanghai, the apparent object being to continue the negotiations that were carried on here several weeks ago with delegates from Nanking. It will be remembered that Mr. Wang Ching-wei, the leader of the Left Wing, one of the six Southern delegates which took part in the recent negotiations at Shanghai did not return to the South. The delegation from the South, including Dr. C. C. Wu, who resigned from the post of Minister to the United States as a protest against the Chiang Kai-shek regime, and who has recently been appointed chairman of Kwangtung Province; Mr. Eugene Chen, who is a native of Trinidad, a born British subject, who gained his laurels first as a newspaperman, and then as Minister of Foreign Affairs of the short-lived Nationalist Government at Hankow—but long enough to wrest the British Concession at Hankow from British control; Mr. Sun Fo, son of the revered Sun Yat-sen, who resigned the position of Minister of Railways at Nanking early in the year so as to join the Southern faction; and Mr. Li Wen-fan, representing the Kwangsi group, were scheduled to arrive in Shanghai by the Dollar liner *President Coolidge* end of this week. According to present arrangements it is not intended that the Southern delegates will proceed to Nanking, but, as before, will try, through negotiations here, to gain a large, if not a predominant share, in the Nanking government, the inducement being "unification." The Southern delegation has at no time disguised the fact that one of its main objects is to eliminate Chiang Kai-shek from his administrative post, and if possible entirely.

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Hongkong, Dec. 8 (2 p.m.)—The Canton Government at its session yesterday appointed Dr. C. C. Wu, chairman of the Kwangtung Provincial Government in succession to Lin Yun-chieh who has tendered his resignation from the post. The session also decided to order a general mobilization of all Kwangtung and Kwangsi armies "for an expedition into Manchuria." Teng Tse-ju resigned as councillor of the Canton National Government. Messrs. Sun Fo, Eugene Chen and Li Wen-fan left Hongkong this morning for Shanghai to continue peace negotiations with the Nanking Government.

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South China Morning Post, Hongkong, (Nov. 27)—Hope for an early settlement of the dispute at the Canton Fourth Kuomintang Congress is centered on arrival of Messrs. Hu Han-min and C. C. Wu who are due here this morning from Shanghai; Mr. Lin Yi-chung representing Gen. Chan Chai-tong has arrived here to welcome Mr. Hu to Canton....Gen. Li Chi-sen has issued a statement to Chinese press, denying having any connection with the Canton Congress Affair; he characterised the persistent rumors that he is involved in the Canton political developments as false and groundless; he further announced that he has no intention whatever of re-entering political life....Canton remains quiet, but precautions are being taken to prevent possible disturbances.

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South China Morning Post, Hongkong, (Nov. 28)—Hu Han-min and C. C. Wu arrived here from Shanghai yesterday morning by *Empress Canada;* interviewed upon his arrival, Mr. Hu declined to make any comment on the situation; he conferred with various Canton military and political leaders who came here to welcome him yesterday afternoon on the situation and was expected to visit Canton tomorrow to mediate in the Congress dispute....Two hundred and twenty six resigned members from the Canton Kuomintang Congress have issued a declaration reiterating their support of the three peace envoys, Messrs Sun Fo, Eugene Chen and Li Wen-fan....Canton telegrams alleged that the recent Canton Congress affair was precipitated by the party representing the interest of Gen. Li Yeung-king (one of three leading commanders of Gen. Chan Chai-tong and one of chairmen of Canton Kuomintang Congress) who taking advantage of the waning influence of the faction of late Ko Ying-fen and Mr. Hu Han-min attempted to seize the power of the southern Government; Gen. Li's candidates were further alleged to have been principally responsible for repudiation of Shanghai peace conference decision and were opposed to both Hu Han-min and Wang Ching-wei; Gen. Chan Chai-tong is handling the Congress dispute with greatest caution and has reprimanded Gen. Li for rashness of his followers....Dr. C. C. Wu, in an interview, declared that the Canton National Government still insisted on Gen. Chiang Kai-shek's resignation as President of Government of China; he said that Canton is not demanding his immediate resignation, but that he should announce his intention to retire and his actual resignation should take place when the proposed new National Government is created; he further stated that the recent peace conference in Shanghai had not resulted in any formal understanding between Nanking and Canton....Gen. Ma Chan-shan has telegraphed to Canton Kuomintang Congress, expressing his gratitude for the contribution to his military expenses which has been received.

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South China Morning Post, Hongkong, (Nov. 30)—Hu Han-min accompanied by C. C. Wu and a large number of Canton officials arrived at Canton yesterday morning and was given an ovation by the Canton military and civil leaders upon landing; immediately upon arrival he visited the house of late Koo Ying-fen, his friend and co-operator whose loss he greatly mourned; in the afternoon, he conferred with a party of 80 important officials including Chan Chai-tong, Li Chung-jen, Hsiao Fu-cheng, C. C. Wu, etc., and discussed ways and means for settling the Congress dispute....Canton telegrams dated Nov. 28 stated that Gens. Chan Chai-tong, Li Chung-jen and Chang Wei-chang and Admiral Chan Chak have all agreed to invite Hu Han-min to be the leader of the Canton Government and they are also of opinion that resignation of Gen. Chiang Kai-shek is essential to security of Canton delegates to 4th Plenary Session at Nanking....The version of the Canton Congress trouble which is gaining ground is that Gen. Li Yueng-king has been the moving figure, but he is rather isolated in his stand, as many other military leaders, and officials are in favor of upholding the peace envoys' decision and coming to a compromise with Nanking; Gen. Li and his faction which allies with the so-called Western Hill Group in opposition to Mr. Wang Ching-wei is said to favor Mr. Hu Han-min and when word was received that Mr. Hu was coming down to Canton, placards began to be posted all over Canton, such as "Welcome to Hu Han-min" and "Down with Wang Ching-wei," it is feared that Gen. Li's faction and his opponents may come into a clash, if Gen. Li should stubbornly persist in his stand of endeavoring to discredit the peace commissioners; in case such clash should take place the peace commissioners can count on the support the Canton air and navy force together with the Kwangsi army in ousting Gen. Li Yeung-king and his cohorts from power.

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South China Morning Post, Hongkong, (Dec. 1)—Considerable political significance is attached to the sudden and hurried departure on Nov. 29 for Hongkong of Hu Han-min who stayed in Canton only for a few hours, according to Canton dispatches yesterday; it

is believed that Mr. Hu has returned to Hongkong to consult Sun Fo, Eugene Chen and Li Wen-fan regarding the situation....*Central Press* learns that Mr. Hu is supporting the decisions of the Canton peace envoys with Nanking and sharing their view that the C.E.C. and C.S.C. members of the 1st, and 2nd and 3rd Kuomintang Congresses should be re-elected as the C.E.C. and C.S.C. members of the present 4th Congress; as a result of Mr. Hu's support, it appears likely that the 4th Kuomintang Congress will withdraw their resolution passed at the 2nd session demanding the election of C.E.C. and C.S.C. anew and that the congress trouble may thus be patched up....Gen. Chan Chai-tong gave a party to the Congress delegates from North China yesterday and asked them to follow the direction of Mr. Hu Han-min and support his views in amending the resolution adopted at the 2nd Congres meeting for the sake of unification of the country; all the delegates attending the party are reported to have shown their willingnesss to amend the resolution in question and accept Mr. Hu's mediation in the trouble.

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South China Morning Post, Hongkong, (Dec. 2)—The Canton Fourth Kuomintang Congress held its sixth session yesterday morning, at which Mr. Hu Han-min's proposal for solving the political embroglio was accepted by the Congress; Mr. Hu's proposal embodies three points: 1. That all delegates of the former Plenary Sessions to C.E.C. and C.S.C. exclusive of Communist elements numbering 112, be eligible to the 4th Plenary Session at Nanking but instead of treating them as having *ipsi facto* rights, they will have to be nominated by the Presidium and appointed by the Congress, 2. That the Congress shall appoint 24 representatives to attend the Plenary Session and shall be bound to accept the resolution thereof if passed by a majority of two-thirds of members attending and 3. that all political offenders except communists who have been dismissed from the party should be reinstated as regular members. This point was included to remove the resolution of 2nd session for dismissal of Gen. Chiang Kai-shek and Gen. Chang Hsueh-liang from the Party); the satisfactory result of the session has been communicated to Mr. Hu Han-min and the peace delegates at Hongkong, Sun Fo, Eugene Chen and Li Wen-fan who decided to return to Canton immediately.

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South China Morning Post, Hongkong, (Dec. 2)—With the departure yesterday morning from Hongkong to Canton by special train of prominent Kuomintang officials including Hu Han-min, Sun Fo, Eugene Chen, C. C. Wu, Li Wen-fan, Admiral Chan Chak, Air Commander Chang Hu-chang, Gen. Li Chung--jen, etc., the Canton Congress split has apparently been healed; interviewed at the railway station, Mr. Hu stated that misunderstanding among members of the 4th Kuomintang Congress was cleared by messages which were conveyed to him by Gen. Li Chung-jen and that he was confident that the Congress would proceed without further interruptions....Mr. Sun Fo said that disagreement at the Canton Congress having been settled, the various leaders were returning to Canton to proceed with the Congress to bring about harmony in the Party and the Central Government....Admiral Chan Chak denied rumors of actions of Canton Navy, while air Commander Chang Wei-chang asured that the recent dispatch of airplanes to Chungshan District was for the purpose of carrying exercise manoeuvres only and should not cause alarm....The Canton Kuomintang Congress at its session yesterday passed a resolution whereby the delegates to the Congress will elect 24 candidates, the Congress Presidium to choose the same number who are to be elected as members of the Central Executive and Central Supervisory Committees of the 4th Congress; it is expected that the Congress will finish its work by end of this week; the new members of the C.E.C. and C.S.C. will hold a joint conference with those elected by the Nanking 4th Congress which will decide all pending party, political and military problems....The *Central Press* learned yesterday that Gen. Chiang Kai-shek will announce his resignation some time next week so that all Party leaders will soon proceed to Nanking to reorganise the Government....Over 2,000 students belonging to Canton University and other Government institutions marched to the Chung Shan Memorial H yesterday morning and presented a petition to the Fourth National Kuomintang Congress asking for an immediate unification of the country, the dispatch of an expeditionary force into Manchuria and training of volunteers.

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South China Morning Post, Hongkong, (Dec. 4)—The Canton Kuomintang 4th National Congress held its 9th session yesterday morning at which Hu Han-min and C. C. Wu who returned to Canton last Wednesday were appointed members of the Presidium and the following 24 persons were elected delegates to the 4th Plenary Session at Nanking by the Congress: Heung Hon-ping, Chu Fang-pu, Yu Hon-miao, Wong Quai-luk, Wong Tung-chau, Li Ping-sin, Li Yen-yen, Luk Yau-kon, Wong Hon-fong, Chan Kiok-tse, Chan Chung-fu, Wang Pao-chan, Lam Wong-kun, Tse Yen-chau, Chui Kuong-sau, Kao Fong, Fei Ming-yu, Chao Sze-wu, Wu Chi-mei, Li Chi-an, Chen Kim-yu, Wang Kun-nun, Chung Tin-sam and Yang Oi-yuan....The tenth session of the Congress was held in the afternoon which passed the following resolution jointly submitted by C. C. Wu, Sun Fo and Li Chung-jen, recommending the establishments of: 1. An administrative committee under the National Government but above the Provincial Government for controlling certain provinces under its jurisdiction, 2. an administrative department under the Central Executive Committee for guiding the various municipal Kuomintang branches and 3. a sub-committee of the Military Council for carrying out the work of bandit suppression in various provinces; at the suggestion of Sun Fo and Li Chung-jen, another resolution was adopted to the effect that the National Government shall pay by installments some of the loans from overseas Chinese....Since the return of Hu Han-min to Canton, the political situation there has shown great improvement and the strained relations among the various political and military leaders have been smoothed; Admiral Chan Chak has reseumed his duties at the Navy Department and the martial law enforced in naval circles has been lifted; Air Commander Chang Hui-chang is also again attending to his duties and has ordered the aeroplanes which were dispatched to Chungshan district for manoeuvre exercises to return to Canton Government Aerodrome immediately; it seems harmony has been restored in various factions in Canton and fear of further complications is allayed.

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South China Morning Post, Hongkong, (Dec. 5)—At the 11th Session of the Kuomintang 4th National Congress yesterday morning, Pei Chung-hsi, Li Yeung-ching, Yu Hon-miao, Chang Wei-chang and Lin Yi-chung were elected to the C.E.C., and Heung Hon-ping, Chang Fat-kwai and Tang Shao-yi to the C.S.C.; the 12th session was held in the afternoon at which twelve reserve members to the Central Executive Council and five reserves to the Central Supervisory Council have been elected, namely for the C.E.C.—Chu Fong-pu, Wong Yuk-chu, Chen Ting-koo, Cham Kiok-tse, Wong Kwai-luk, Liang Han-chao, Kuan Su-yen, Li Yen-jen, Cheng Chung-ming, Chui Kwong-sau, Wong Fuk-san and Chang Ting-fan and for the C.S.C.—Lin Chi-min, Miao Pei-nna, Li Chi-an, Chu Fong-pu, Chen Chung-fu and Chen Kwan.

Municipal Council Recognizes Chinese Education Bureau's Right to Control

The Shanghai Municipal Council, according to a statement issued by the Press Information Office, desires to see private Chinese schools in the Settlement brought, as far as possible, into line with the code of Chinese schools in territory under Chinese jurisdiction. The Council, it is stated, recognizes that almost all the non-municipal schools for Chinese children in the International Settlement are under Chinese control, with no limitations thereto save those necessarily set by the special circumstances of the Settlement. It also recognizes that the Education Bureau of Greater Shanghai, is by Chinese law, the proper authority to exercise that control. Accordingly, the Council has suggested to the Mayor of Greater Shanghai that a logical result of this situation would be the acceptance by the Council of the Education Bureau's recommendation of a Chinese school within the Settlement as proof of that school's qualifications for a municipal grant-in-aid. If the Education Bureau undertakes the responsibility of recommending schools for grants-in-aid—and the Council expresses the hope that it will—the apportionment and disbursement of the grants will be made by the Council, in concert with the Bureau, on the advice of a Chinese Committee reporting to the Council through the Board of Education, and guided by regulations now approved.

National Economic Council and National Finance Commission

BY JAMES SHEN

THE present national crisis has certainly impressed upon the National Government at Nanking the absolute necessity of systematic development of the country under the deliberate planning and special supervision of a permanent responsible organ. Hence, too much importance cannot be attached to the institution of the National Economic Council, which was formally inaugurated on November 15. This new organ aims at the orientation of the development of the country in a systematic manner. Of equal significance is the creation of the National Finance Commission, which is a step forward in the direction of stabilizing the national finances of the country. These two new organs, while each having special functions to perform, have the same purpose in view, namely, helping China to emerge from the present crisis as a stronger and more prosperous state.

The great importance of the National Economic Council can be better appreciated by mentioning some of the tasks it is going to take up. The first proposed work of the Council is to draw up a Three Year Plan, which will cover the most urgent matters of economic development that will be practicable in the immediate future taking account of the resources available. It will aim, first to translate into definite projects such of the schemes as will be selected as being the most urgent, to correlate them with one another, to establish order of priority, and in essence to elaborate as rapidly as possible a co-ordinated plan of development for a period of three years, beginning 1932.

In addition to the immediate task of preparing the three-year plan, the Council will have to examine and give its opinion from time to time on current proposals emanating either from central or local authorities or other private institution, and from Chinese and foreign industrial, trade and financial interests. Among the specific proposals which the Council will consider are Hwai River conservancy and land reclamation, harbor development at Greater Shanghai, construction of a motor road from Shanghai to Nanking, and land reform and agricultural improvements. In general, the Council will examine and decide questions concerning the types of industrial development that may be best promoted by government action.

Collaboration with Experts

Next comes the program of planning for a period of a decade or more, the main course of development which China desires to achieve. Such a plan will be based uqon the natural development of those industries that are best adapted to the natural resources aad conditions of the country. This program of economic regeneration will be closely related to the development of the system of education and public health.

As a distinct departure from the former practices of the government, the present Council includes as its personnel, besides government members and certain military leaders, also leading financial, industrial, social and educational interests, in addition to technical experts. This certainly gives a somewhat representative character to the new organ.

As a salient feature of the Council, it is necessary to mention that arrangements have been made for close collaboration with the various technical organizations of the League of Nations. The League has already sent an imposing eduational commission. Dr. Rachjman, Director of the Health Organization of the League of Nations, has already been in China for several weeks assisting in a most helpful manner with arrangements for such technical collaboration. About January, 1932, Robert Haas, Director of the Transit and Communications Organization of the League of Nations, will come to China to study the waterway and road program of the country. The simple fact that the League is cooperating with China in the realization of the program certainly tends to increase the effeciency of the work of the National Economic Council.

Despite their elaborate scheme and wisdom, all plans for reconstruction will come to naught unless the country keeps a balanced budget, making ample allowance for developing the resources of the country. Hence the National Finance Commission, the inauguration of which on November 15, simultaneously with the National Economic Council, clearly represents a determined step of the National Government to stabilize the financial conditions of the country. To say that the creation of the commission is an epoch-making event in the financial history of the nation, is no exaggeration, in view of the fact that it will make immediately possible the institution of a budget and the public accounting of all revenues and expenditures.

The Commission owes its birth to a resolution adopted at the recent peace conference in Shanghai and is composed of members of both the Canton and Nanking governments and representatives of industrial, banking and educational interests. Scanning the list of members of the Commission, one finds such names as Dr. Hu Shih, Chang Chia-ngau, O. S. Lieu, T. V. Soong, Ku Meng-yu, and others. The fact that industrialists, bankers and educationists were invited to join the Commission definitely indicates that the National Government has seen the desirability of enlisting the co-operation of widely representative interests in the reorganization and readjustment of national finances.

According to the organic law of the Commission, it has the right to improve national finances; to pass on all military and civil expenditures; to audit all bond issues: and to inspect, audit, and publish the receipts and disbursements of the Government. That the Commission is really created to serve some good purposes is demonstrated by its first resolution to the effect that the monthly military expenditures of the government shall not exceed $18,000,000, and the party and administrative expenditures shall be reduced to $4,000,000 every month. The monthly income of the government is $9,000,000, thus causing a deficit of $13,000,000, if the recommendation of the commission is to be carried out. The Commission urged that the deficit be covered by the issue of domestic bonds.

As a result of this retrenchment policy, the Commission feels certain, the government will enjoy a firmer and better credit for the national bonds. The government will exert every effort for promotion of industries and development of the national economy so that the national resources may be further increased and a budget made as soon as possible to provide more fully for the growing needs of the nation. In addition, the Commission is fully aware that the present financial stringency has been greatly aggravated by the disasterous flood and the turmoil caused by the Communists and bandits, and the recent Japanese outrages in Manchuria, and that once these causes are removed and normal conditions restored, there will be a steady increase in revenue and balance in receipts and disbursements by the time the budget adopted by the Commission comes to a close.

The Need for Action

It remains to be said that all plans, however, elaborate and perfect they may be on paper, will remain on the paper unless they are translated into deeds and actual accomplishment. It is perhaps, too much to expect an immediate financial improvement as a result of the establishment of the Commission. Much has to depend on non-government members of the Commission, including bankers like Messrs. Li Ming, Chang Chia-ngau, Wu Ting-chang and Chou Tso-ming, whose banks have financed the government in the past, and who are really in a position to bring pressure to bear on the government to stop wasteful expenditures if they want to. In the past, these men have played a rather passive part. While underwriting loans for the government, they never tried to insist that the proceeds of these loans should not be applied to civil war purposes. This may be due to a sense of futility which unfortunately too many Chinese have in regard to national affairs. This is certainly not the right attitute to take, for progressive government is only possible when every citzen takes an intelligent and active interest in public affairs of the nation. It is to be hoped that the participation of the bankers and industralists in the work of the Commission evidences a welcome change of heart on the part of a class of people who are regarded in the West as forming the backbone of a country.

May we hope that the establishment of the two important organs, namely, the National Economic Council and the National Finance Commission represents the first progressive step the National Government takes to turn China into a healthier and stronger member of the family of nations, in a comparatively short period of time.

Yenching University, Peiping West, Nov. 23, 1931.

59-056

Chinese Students Adroitly Handled by Nanking Authorities

Two thousand students assembled at the railway stations at Peiping, and Tientsin Dec. 6 and demanded free transportation to Nanking. They paralyzed railway traffic for several days. They took turns in lying on the tracks in front of trains that were waiting to leave Peiping and Tientsin for Nanking.

Severe strictures against unruly students were made by the National Government in an official Mandate issued on the night of December 5 following upon student disturbances at the capital during the day. The Mandate declares that thereafter all petitions to be submitted to the Government should be in writing and be transmitted through the competent local administrative authorities or school presidents concerned. No organized body of persons, whether students or members of other civic organizations, will hereafter be allowed to proceed to the capital for the purpose of presenting petitions.

The strained relations between the Government authorities and the Peiping students who arrived in the capital to stage anti-Japanese as well as anti-Government demonstrations, reached a climax on the afternoon of Sunday, Dec. 7, when Garrison troops frustrated the attempts of the crowd to carry out their plans in defiance of the Government's order forbidding their activities. A large printing shop at Nanking was raided Dec. 6 and pamphlets, printed by the students, were discovered directing an attack against the National Government and containing Communist slogans.

The student demonstrators started from the Central University but before they had reached the National Government Building they found themselves face to face with Garrison agents who had orders from their commander to effect the arrest of the whole crowd. Without resorting to firing the soldiers guided the students to a street corner and had most of them taken to the Headquarters in military trucks. Several score of them were bound. Disturbances occurred during the round-up as some of the students offered resistance resulting in a free-for-all fight. The soldiers and detectives soon had the situation in hand. succeeding in arresting all those participating in the parade except for about 80 who made good their escape.

Fourteen students of the Central University were among those arrested, but they proved themselves innocent and were released shortly afterwards. An official of the University was injured during the disturbance.

Bandits Hold Up Mukden Train Under Noses of Japanese

Shortly after noon December 8, a passenger train from Mukden to Tientsin was held up by bandits between Hsinmin and Liuhokow. Several shots were fired as a signal that the train should stop. One of these grazed the head of the engine-driver. As soon as the train had come to a standstill, the bandits entered the first and second class cars and began a systematic robbery of the passengers. No passengers were taken captive for purposes of ransom and no one was seriously injured. Four first class passengers were robbed. They included L. L. Loucks, American manager for the American-China Export Co. of Tientsin, and formerly connected with the Texas Oil Co.; I. J. Lacey, British fur dealer of Tientsin formerly connected with Jardine Matheson & Co., who was proceeding to Tientsin from a trip home to London; William H. Steele, British traffic superintendent of the Peiping-Mukden railway; and one Chinese, Li Tin-chuan, an engineer connected with the Peiping-Hankow railway.

The section of the line between Hsinmin and Liuhokow, where the hold-up took place, is not guarded either by Chinese troops or by the railway guards, but a Japanese armored train patrols this section of the line twice daily, yet, curiously enough, the Japanese disclaim any responsibility for the safety of the line.

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Willis J. Abbott, editor of the *Christian Science Monitor* when passing through Japan after attending the recent Conference of the Institute of Pacific Relations in Shanghai on his way back to America, is quoted as having said that he had been long enough in Manchuria to understand how great was the provocation under which Japan had acted. Banditry and kidnapping were a common occurrence, he said, and should Japan withdraw her troops Manchuria would be given over to anarchy and spoliation.

Filipino "Near-Independence" Mission Enroute to U. S. A.

Senator Sergio Osmena, Acting President of the Philippine Senate; Representative Manuel Roxas, Speaker of the House of Representatives; Senator Ruperto Montinola, minority floor leader in the Senate and President of the Democrata party; Representative Perdo Sabido, majority floor leader in the House, and Representative Emiliano Tirona, minority floor leader in the House were among a party of Filipinos which passed through Shanghai on the Dollar line *President Coolidge* this week enroute to Washington "charged with the task of obtaining the best possible deal from the Administration in Washington or from Congress leading towards Philippine independence." This delegation will not as have previous missions demand "immediate and absolute independence." As pointed out in a *United Press* message from Manila, the cry for immediate independence had became so much a matter of habit that seemingly no Filipino leader dared weigh immediate independence against the economic consequences thereof, but finally there came one leader whose lone voice rang out clear among the cry of the pack—Don Manuel Quezon, adored by Filipino people, President of the Senate of the Philippines, who has been fighting the cause of independence with a frail body that has been crying for rest. President Quezon came back from a visit of more than a year in the United States, and told the Filipino people that sudden independence, if it meant severance of free trade with America, would cause an economic upheaval, which, coupled with the world depression, would be ruinous to Philippine industry and trade. The Japanese adventure in Manchuria has also had its effect on the Filipino people, and the present mission, as stated above, will content itself with getting "the best possible deal" in Washington.

Gandhi Says Indian Conference Was a Failure

M. K. Gandhi, the Indian Nationalist leader, in a statement to British and foreign newspapermen in London December 3, bluntly stated that he regarded the Second Indian Round Table Conference, which had just ended, a failure. "I regard the Conference as having been a complete failure," Mr. Gandhi said. "Therefore I must return to India and show the strength of the Indian Nationalist Congress." Mr. Gandhi declared that there would be no renewal of the dreaded civil disobedience movement in India—at least not until he has returned to India. After his return he said he would "inform the Congress of the results of the Indian Round Table Conference."

Disobedience Drive Revival Foreshadowed in India

The first rumblings of what threatens to be another outbreak of civil disobedience in India, perhaps more serious than the movement previously witnessed, was to be seen in the decision reached by the Bengal Congress at Calcutta, Dec. 7.

"The time has come to resume civil disobedience," was the uncompromising declaration of the Congress. This declaration, coming at the conclusion of a resolution unanimously adopted, is believed to presage a renewed civil disobedience campaign. It is believed that when Mr. Gandhi returns to India the movement will be formally initiated, and *Reuter* says there is every indication to show that his followers will rally to his standard as they did when he marched to Dandi to collect salt in defiance of the law.

Extrality Negotiations Mentioned in House of Commons

In the House of Commons in London, December 7, Sir John Simon, Foreign Secretary, announced that no agreement on extraterritoriality had been initialled by Sir Miles Lampson, British Minister to China, though a draft treaty had been completed which both Governments were considering. If the draft were signed, continued the Foreign Secretary, Parliament would be given an opportunity of discussing it before its ratification. Thereupon a Conservative member asked if the British Government had in any way committed itself. He referred to the dissatisfaction among British interests in China owing to the way in which these matters had been left.

Sir John Simon's reply was non-committal, he contenting himself with replying that he was fully aware of the great importance of the matter.

A Comparison of Chinese and Japanese Characteristics

BY GEORGE E. SOKOLSKY*

(in the New York Times Magazine)

ALTHOUGH to Westerners the Japanese and the Chinese appear to be akin in many respects, they are really very different. The Japanese have accustomed themselves throughout their history to acknowledge authority; the Chinese have emphasized the rights of the individual, except as family authority tempers the exercise of those rights by social pressure.

In Japan, from the feudal days, when Commodore Perry opened the country to the world, as well as today, when Japan is a permanent member of the Council of the League of Nations, the highest ideal has always been a code of honor closely similar to the European code of chivalry, a code termed Bushido. The Samurai, the warrior retainer of the nobility—the knight in armor in the old days, the knight in spirit today—has been glorified, whereas in China the soldier has always been despised as one of the lowest orders of society, only a degree above actors and barbers, whose code of life, whose methods and activities have been held in contempt.

In Japan a character like Benke is set before the youth of the country as an ideal because he typifies the essential Japanese characteristic of loyalty. The Chinese, however, display much more admiration for Chu Kuoliang, the apotheosis of sleek cleverness, the man of mind, of direction, of achievement by thought.

The Chinese and Japanese often look alike superficially and their basic written language is the same, although they speak different tongues. Moreover, to this day, many ancient Chinese customs are more prevalent in Japan than in China; a banker like Baron Shibusawa will devote his old age to the study of the Chinese classics; Baron Okura freely gave his fortune for the preservation of Chinese art. Yet, except for their cultural ties, supported by centuries of tradition, the Japanese differ from the Chinese in almost every respect. Nor are they of the same race, for the Japanese undoubtedly are a conglomerate of Malays from the south and of Ainus and Koreans from the north, with an admixture of Chinese.

Like the Chinese, the Japanese often overlooks his immediate interest because of the emphasis he gives to "face." But where the Chinese will find a rational formula for the solution of his problem and at the same time retain a measure of "face," the Japanese seems to become startled and numb in the presence of a loss of "face" and so his sense of proportion becomes warped.

A Warped Sense of Proportion

For instance, in the recent debate over the Manchurian issue at Geneva, Japan appears to have been concerned more with "saving face" than with her national interest. Every consideration of policy dictated an acceptance of American friendship on any terms, and yet Japan seemed to be more worried over the possible impression that she was being treated exceptionally, that she was being singled out as a "bad boy" in the family of nations, than over the infinitely more important reaction upon public opinion in the United States.

Not more than a decade ago, such difficulties as Japan encountered at Geneva would have resulted in the suicide of at least one official who felt that he had brought upon his country a "loss of face." No more striking example of the intensity of this sentiment can be cited than the suicide of Saburi, most delightful and gentle of Japanese, who, while Minister to China, realized that he must fail, that he could convince neither the Chinese nor his own people that a policy of cooperation alone could save both countries from just such a situation as now engulfs Manchuria and disturbs the world. Thereupon Saburi killed himself and was given posthumous honors as a great soul.

*The writer was for many years connected with newspaper work in the Far East, latterly associate editor of the "Far Eastern Review."

The Chinese, gazing upon his continent, its natural riches, its huge man-power, its long history of power and pomp, turns to the world often a vexed but always a positive mien. What if some one holds a foot of China?—thousands of miles are still Chinese. What if some one attempts to conquer China?—will he not be drowned in a sea of hundreds of millions of Chinese? What if there is famine and flood in China?—cannot the Chinese go elsewhere and prosper?

General Tsend is Conservative

The Japanese are different. They have only their small islands. For them there is only work, fate, love of country, discipline. Yet there is in Japan a powerful public opinion against which thus far politicians have been impotent. Although in recent years a Communist movement of some proportions has developed, the general trend of the nation is conservative, if not reactionary. The public stands between the Emperor and the politicians, just as at times the Emperor protects the people from the wiles of the politicians—a paradox in political psychology that puzzles the Western student of Japan.

The Emperor is loved, revered, almost deified by the Japanese people. No great good is ever expected of politicians; although Japan is a democratic country with universal manhood suffrage for election of members of the national Parliament, the people do not count on their representatives to protect them adequately. They are, in essence, represented by the Emperor; he is the father of the people and he will prevent abuses. Thus politicians are forced out of office because they seem to have abused imperial prerogatives. One of the greatest political scandals of recent years involved the present Premier, Baron Wakatsuki, who signed the London naval treaty on behalf of his people. This outraged public opinion in Japan, for since when could the Emperor be ignored? Before Mr. Wakatsuki could be elevated to the Premiership he had to be created a Baron to assure public opinion that the Emperor was not displeased with him.

Public opinion in Japan expresses itself through two media, the newspapers and the patriotic societies. The newspapers have developed enormous circulations and, unlike most newspapers in Oriental countries, are wealthy and independent; they belong to no political parties, accept no subsidies, and follow vigorous and outspoken editorial policies. Only when military or political censorship intervenes does freedom of the press fail. When, however, the censorship does interfere, the newspaper submit to discipline. The censorship usually is stupid and suppresses what to a Westerner would appear to be trivialities; for instance, for several years the newspapers in Japan were unable to print "dangerous thoughts," while the bookshops were selling the whole gamut of Communist literature in excellent Japanese translations.

Despite the independence of the press, much that the government inspires is published to influence public opinion. The government employs press associatinso and agencies for this purpose.

The military officials particularly are usually able to present their point of view. They are responsible only to the Emperor and cannot be controlled by the government, except by agreement; moreover, the public usually regards the military side of government as wholly nonpolitical. Basically, this division within the administration of government is due to the seriousness with which Japanese regard the problem of national defense; to them it involves not only the retention and possession of their soil but the continuance of the food supply.

Japan imports a very large proportion of her food—rice, soy bean and fish from China, Manchuria, Indo-China and the South Sea Islands. She is so situated that her food supply may easily be cut off by a hostile naval force, and the Japanese militarists regard the

maintenance of the arteries for the movement of food products as their primary task. Furthermore, Japan proper possesses few raw materials: iron, coal, cotton, wool and timber are not abundant. One of the principal problems in her economic life is to provide raw materials for her huge industrial establishments, and public opinion is jealous of any political commitments which might, even remotely, imperil the supply.

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Japan's Military Prowess

Japan's place today as a modern nation has been achieved by military prowess. Eighty years ago Japan was a little-known island kingdom with which the Dutch did business from an island off Nagasaki. By military force, the kingdom was opened to the world after Commodore Perry sailed into Japanese territorial waters. After a fierce internal struggle, involving a measure of civil war, Japan abolished feudalism and determined to become a modern nation.

But what makes a modern nation, the Japanese of that day asked? What makes it possible for the Americans to compel us to receive them and to deal with them? Why can the Europeans impose on us extraterritoriality, force us to grant concessions in such cities as Yokohama and Kobe and Nagasaki, station their fleets at Nagasaki, and require us to sell them coal?

Force! An army and navy! Power! These became Japanese ideals. The Chinese think of similar ideals under the more philosophic category of equality; they hope to think their way to equality. The Japanese determined to force their way, to work their way to equality.

Public opinion in Japan was bent upon this, and men rose from common stations to the highest office on this platform. These men have become national heroes. Undoubtedly the greatest of them was Prince Yamagata, who gave Japan her military character, and Prince Ito, who molded her political form. Perry first visited Japan in 1853. By 1895 Japan had defeated China by warfare; by 1901 she sent an army to the Boxer Rebellion as an equal among the European nations; by 1902 she was in alliance with the mightiest of European States, Great Britain; by 1905 she had defeated Russia in a war; by 1910 she annexed Korea; by 1914 she was an ally of the European States in the World War; by 1919 she was one of the five principal powers at the Paris Peace Conference.

Public opinion in Japan supports this record, and the present Japanese Government, containing statesman like Baron Wakatsuki, Baron Shidehara and Mr. Inouye, who seek the way of peace and diplomacy, is not popular, for the masses of the people suspect them of being too much concerned with the good opinion of others and too little with the pride and position of Japan.

Japanese Not an Astute People

The Japanese, despite all the fiction that has been written on the subject, are not an astute people. At conferences they generally lose out; they are too regimented to be brilliant, too disciplined to think independently. If a problem is to be solved by organization and persistent work, Japan will succeed; if it is to be solved by brilliant statement, oratory, mental agility, imaginative ingenuity, Japan will usually fail. The result is that the public usually trusts the military men who have shown tangible results, and distrusts the politicians, who bring back a bag that weighs less than it did when they sailed from home.

In support of public opinion are groups of young men organized in clubs and known as ronin or shoshi. These young men are vestiges of the Samurai class, but they also include laborers and students. Their actions are direct, but usually conservative. For instance, some years ago they invaded the ballroom of the Imperial Hotel and drove out members of the Japanese aristocracy and public officials who were dancing Western dances, which the ronin regarded as immoral: For a long time after that Japanese of good families did not dance in public, for public opinion was against it. The late Baron General Tanaka was able to use these patriotic societies to bolster up the military clique and to keep himself in power until his death.

It is never quite possible to define accurately the attitude of one people toward another; certainly Japanese public opinion concerning the West swings from almost servile abjectness before Westernism (as the Japanese sometimes refer to European influences) to an anti-foreignism which embitters relations, particularly between Japan and the United States. To the Euuropean or American these evidences of political emotionalism are inexplicable, but to the Asiatic they offer no problem at all.

The Japanese dislike to be singled out as different, as requiring protection or special treatment. For instance, if the American immigration quota were applied to Japanese, fewer Japanese could enter the United States than now come in; yet the Japanese constantly demand the application of the quota to them, for this involves equality, recogition of their position.

The Case of Herndon and Pangborn

Another illustration of this point of view: Japan badgered Herndon and Pangborn because they unwittingly flew over and photographed a fortified area; yet a little later she extended a tremendous welcome to the Lindberghs. In the first instance, what mattered was not so much the photographs as a feeling that the country was being held in contempt and that its laws were being defied; in the second instance, the Japanese were paying tribute to the United States.

When the Prince of Wales was in Japan some years ago, the Ministry of Communications bought a large consignment of British railway supplies as a gesture of appreciation; yet during that visit there was a to-do because the Prince's staff wore morning coats instead of frock coats, which have become ceremonial garb in Japan. Not to wear frock coats was to flout Japanese taste.

It is not difficult to overcome Japanese prejudices if one remembers that the white man has for many decades sought to impress the Asiatic with the perfection of his forms, manners, mind and personality. The Asiatic is weary of being told that a nordic is the apotheosis of humankind, that the United States is God's own country and that an English gentleman is the most perfect creation of the Almighty. Whenever a Japanese senses such an attitude in a foreigner, he asumes the defensive and sets out to prove the perfection and greatness of his own country.

For decades the Japanese have tried to be like Westerners in every respect: they wear Western clothes at business; they eat Western food much more freely than do the Chinese; their businesses and industries are managed after a Western fashion; their youth play Western games—baseball, tennis, golf; their form of government takes on a Western facade. Commission after commission has been sent to the United States and Europe to discover the secrets of the West, so that for a time Japan acquired a reputation for being wholly imitative and for practicing economic espionage. Much of this Westernization was so superficial as to be a veneer; it led to such absurdities that for a time it made Japan unpopular among Western peoples.

But in recent years, particularly since the great earthquake, the Japanese have been going through a period of soul-searching. More and more the indigenous East is coming uppermost; more and more the pendulum is swinging backward to an orientalization of the ordinary life of the Japanese people.

This backward swing—and may it not be a forward swing as well?—is toward a less imitative, a more assimilative character. The Japanese seem to be seeking a personality of their own—not Chinese, not American, but Japanese. What it will be, it is difficult even to appoximate: a combination of steel, electricity and Confucius; of Marxian economics and Shinto; of individual freedom and enforced social discipline.

Much more than China, Japan is a paradox. China smiles under the swirl of her floods, and even while she appeals to the other nations as stupid inferiors. But Japan stands aloof, proud, reserved, trusting only herself and her capacity for unending work to pull her out of a stormy and unfriendly sea.

A Japanese "Diviner's" View on Manchuria

BY PAUL. K. WHANG (汪 仲 芳)

Amid the tragic news concerning the happenings in Manchuria, we have found something very comical in the following news which appeared in the *Shanghai Evening Post and Mercury* on Nov. 30.

Mukden, Nov. 29—Japanese newspapers here to-day gave considerable prominence to the arrival in Mukden of Donsho Kodama, famous Japanese diviner and fortune teller. He had a long interview with Lieutenant General Honjo, Commander-in-chief of the Japanese forces, following which he made a statement. It follows: "Japanese troops will continue to go ahead like a tiger. They will continue defeating the enemy through superior numerical strength and due to providential intervention providing them with favorable weather. They will emerge from the war with comparatively light casualties. The enemy's last strategic foot-hold (presumably Chinchow) shortly will be surrounded and occupied. The League of Nations Council also finally will be brought to see the justice of Japan's military operations." He also congratulated Yu Chung-han, the leader in the separatist movement, and Manchuria's 30,000,000 people as well on their emancipation from the "pitiless clutches of insatiable warlords." The general stated that Kodama wields considerable influence in Japan and also has a considerable following among the older Chinese officials in Manchuria.

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The statement itself shows nothing so divine as to baffle our understanding, and we believe that any one under similar condition can make a better statement than that. So long as Marshal Chang Hsueh-liang is a devotee to the policy of non-resistance by ordering his soldiers to lay down their arms and retreat in the face of Japanese invasion, "the Japanese troops can certainly continue to go ahead like a tiger," and emerge from the one-sided war without any casualties. Providence, however, has not provided them with favorable weather, as the seer promised, because we have been told that many of the Japanese troops who were engaged against Gen. Ma Chun-shan were frost-bitten and could not endure the extreme cold weather. Even without the establishment of a neutral zone around Chinchow, Japanese troops will not occupy it as easily as they have taken other Chinese cities in Manchuria, because China will offer every ounce of resistance to fight against Japanese occupation of that stratagic point, Our Manchurian people, instead of being grateful to Japan for emancipating them from the "pitiless clutches of insatiable warlords," have repeatedly urged Marshal Chang Hsueh-liang to recover the lost territory and deliver them from the foreign yoke. So far as the League of Nations is concerned, the Japanese will have no fear of not getting its support, because they know quite well that the League has not the temerity to incur the displeasure of a strong Power.

Other Examples Where Prophecies Went Wrong

This story of the diviner reminds me a very interesting tale concerning the stupidity of an official during the Manchu dynasty. Before the outbreak of the Sino-Japanese War in 1894, Wu Tah-tsen, the governor of Hunan province, happened to have a dream one night, in which an old man gave him a sword. Being a very superstitious person, he sought the explanation of his dream from his subordinates. One of the subordinates, in order to curry the favor of his superior, introduced to him a famous fortuneteller, who told the governor that the old man whom he saw in his dream was no other than the God himself who gave him the sword for the purpose of asking him to fight the enemy and defend the country. The governor was overpleased with this "divine" explanation, and immediately volunteered his services to the Emperor Kuang Hsu for leading an army to fight against the Japanese. His offer was accepted, and the governor, being a literary man and without any knowledge of military science, was soon placed at the head of an huge army. To make the long story short, he lost all his soldiers, and had a narrow escape himself. We have another very interesting case in Gen. Chang Tsung-chang, the erstwhile bandit-warlord of Shantung, when he was in power; he always kept a fortune teller named "Iron Mouth" Wang with him. Before every battle, Chang would first seek the advice of his trusted fortune teller, and the latter's 'yes' or 'no' would decide his military movements. But in spite of the divine advices, Chang had to beat an escape in the face of the Nationalist forces.

The above instances clearly indicate how the officials cheated themselves by attempting the impossible under the influence of fortune tellers. The fortune tellers as a whole know much about human psychology, and their "divine" stories will be especially pleasing to those officials who have wide dreams. The Japanese militarists have long entertained a wide dream of conquering the world, and in order to make sure of their fortune, they will naturally turn to their famous fortune-teller for some "tips", whose predictions will at least drive away some of their scruples. Besides, the Japanese militarists have several motives to serve by giving wide publication to Donsho Kodama's statement in the newspapers in Mukden and Japan.

In the first place, they intend to secure the full support of their own people to their imperialistic policy. It must be understood that the present Japanese policy is not heartily supported by the whole Japanese public. If the present impasse continues indefinitely, the Japanese public, led by the industrialists and merchants, will certainly rise up against their militarists because of the financial losses suffered from the Chinese boycott. In order to appease the impatience of the Japanese public, the Japanese militarists have purposely invited Donsho Kodama to Mukden and broadcast his views on Manchuria so as to assure the Japanese public that Japanese policy will be crowned with success and that the League of Nations will come to Japan's aid. Since Kodama wields a considerable influence in Japan, as stated by Gen. Honjo, the statement made by an influential diviner will have more weight in the minds of the Japanese people than that pronounced by the general himself. Through this means, the Japanese militarists will be able to continue their policy without incurring any opposition from the Japanese people.

Secondly, they intend to keep up the morale of their soldiers in Manchuria. The Japanese generals have admitted that the cold weather in Manchuria is too much for the Japanese soldiers, many of whom have been frost-bitten. No matter how loyal the Japanese soldiers are to their commanders, they can not be expected to fight against the elements of nature without complaints. Thus through the mouth of a diviner, they are promised with favorable weather, which Providence will soon provide for them. Furthermore, the diviner has also encouraged them by telling them that "the Japanese troops will continue to go ahead like a tiger and emerge from the war with comparatively light casualties". With these assurances, the Japanese troops are expected to be willing tools of their commanders.

Hope to Influence Old-Fashioned Chinese Officials

Thirdly, they intend to win the support of the older Chinese officials in Manchuria. Since Kodama has a considerable following among the older Chinese officials in Manchuria as stated by Gen. Honjo himself, he can easily by means of his "divine" story persuade Chinese officials to be the tools of Japanese militarists. As the older Chinese officials in Manchuria are known as conservative and superstitious, they will be more likely to play into the hands of a Japanese "diviner." In getting the support of the older Chinese officials to the task of emancipating the Manchurian people from the "pitiless clutches of insatiable warlords", Japan's position in Manchuria will be considerably strengthened, and the independent government can be firmly established.

Thus the whole thing is a scheme planned by the Japanese militarists to cheat their own people, their soldiers, and Chinese people in Manchuria. In the mediaeval era, a warlord, in waging war against the other, used to resort to this scheme by telling his own people, his soldiers, and his enemies that he was sent by the God to the earth to bring glory to his own people to win victories for his soldiers, and to free his enemies from the despotic rule, so that he could obtain every one's support to his military expedition. The modern Japanese militarists have somewhat modified the old practice by giving out the statement from a diviner instead of from the Mikado himself. We congratulate Japan upon having such a famous diviner as Kodama, and we are sure that Japan with this "divine" advice can easily carry out her plan of conquering the world. We are also sure that henceforth the Japanese people will not suffer such a huge loss as in the big earthquake of 1924, because their "diviner" can warn them beforehand of the coming of the next earthquake, so that they can move away from the scene of terror. Finally if he cares to make a trip to this part of China, a fortune is awaiting him, because many of our generals and politicians are badly in need of his "divine" advice, not to mention the gold bar speculators and champion ticket buyers.

Shanghai, December 7, 1931.

59-060

The Chinchow Situation From Various Angles

LEAGUE HAS "SURRENDERED" TO JAPAN, SAYS NANKING SPOKESMAN

AN official spokesman of the National Government declared to *Reuter* at Nanking December 4 that the provincial government at Chinchow must be preserved in its entirety at all costs and could not be withdrawn in any circumstances.

"Under the pressure of Japan's policy of armed force," he said, "the League of Nations appears to have descended from its original attempts to arrive at some compromise measure to an attitude of complete submission to Japan."

The spokesman then said:—

"The League of Nations has not only failed to support China's policy of peace and moderation, but has been completely subdued by the continued pressure exerted by Japan, especially regarding Chinchow. Since the latter part of September the League of Nations as a champion of justice and peace cannot be seen.

"Chinchow, from the viewpoint of China's territorial sovereignty, represents more than what is indicated in its ordinary aspect. It cannot be viewed as an ordinary city and a place where a certain number of troops and police are stationed; it stands for something far more sacred.

No Zone Without Guarantees

"Upon the occupation of Mukden by Japanese troops Chinchow became the temporary seat of the provincial government of Liaoning (Fengtien). It has become the lawful center of the administrative activitities of the entire province. The Chinese government is firm in its determination that no part of its territory shall be given up. Marshal Chang Hsueh-liang has repeatedly instructed the local authorities at Chinchow to remain at their posts in any circumstances. Japan, in order to complete its armed occupation of Manchuria, concentrated her forces for an attack on Chinchow. The National Government has arrived at the following decisions:

"1. Without proper and adequate guarantees from the League of Nations and neutral powers, the Chinese government cannot accept any suggestion in regard to the establishment of a neutral zone at Chinchow.

"2. The provincial government at Chinchow must be preserved in its entirety and shall not be withdrawn in any circumstances.

"3. In case Chinchow is attacked by armed forces, the Chinese troops will be compelled to take all the neces sary self-defensive measures.

"The above decisions constitute the three fundamental points of the Chinese attitude toward this question. It is now up to the League and its member states to uphold its resolutions and to stop Japan from furthering her aggressive activities, which are in direct violation of the spirit of the League Covenant and the resolutions adopted on September 30 and October 24.

"The Chinese government originally proposed that the Council of the League should take immediate steps to prevent an almost certain clash at Chinchow. This clearly indicated its sincere desire for peace and to avoid a conflict with the Japanese forces, as well as its hope that the British, Italian, French and other member governments of the League would realize their sacred responsibilities under the Covenant to prevent a Japanese drive toward Chinchow.

"The League not only failed to take effective measures to check the Japanese aggressive activities, but merely designated neutral observers on the spot to devise steps for the establishment of a neutral zone. No concrete or responsible steps were taken by the League.

"The original proposal of the Chinese delegation was rejected by the the League; and the British, Italian, French and other powers also refused to take effective measures to check Japanese aggression. From both the legal and moral aspects of the case, China is no longer under any obligation to adhere to the terms of her original proposal.

"China will only accept that part of the League's resolution which concerns the friendly mediation on the part of the neutral observers at Chinchow to prevent any open clash between the two powers. This plainly proves that the Chinese army has no intention and has made no preparation to attack the Japanese forces in Manchuria.

"Chinchow is part of Chinese territory. The provincial government there is a lawful administrative organ of the Chinese government. It is up to the League to abide by the provisions of the Covenant which call for mutual respect by the member states of each other's territorial sovereignty—and to uphold its own resolutions.

"It is absurd to ask the Chinese government to order any further withdrawal of troops in its own territory. If the League, for fear of Japan's armed strength, disregards its international obligations and makes such an improper proposal, the Chinese govennment, for the preservation of its own territorial and administrative sovereignty, cannot give its acceptance thereto.

Withdrawal Fundamental

"Unless the Japanese troops in Manchuria are completely withdrawn into the South Manchuria Railway zone, the Chinese government will not enter into direct negotiations with Japan. The Chinese government has placed its ful confidence in the League's ability to arrive at a just and satisfactory settlement of the dispute.

"In order to offset the persistent rumors circulated by certain quarters, the Chinese government has cabled Dr. Sze reiterating that so long as China's territory is under military occupation by Japanese forces, China will not enter into direct negotiations with Japan."

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CANTONESE CRITICISM OF NANKING POLICY

Blaming Dr. Wellington Koo, officiating minister of foreign affairs at Nanking, a prominent official at Canton, as quoted by the *Central Press* Dec. 4 stated that Chinese forces, whose business is to protect Manchuria, appear to be abondoning that area to Japanese, The official directed his fire on Minister Koo for opening negotiations for demarcation of a neutral zone in Manchuria. It was pointed out that while the Japanese appear to be withdrawing their troops towards the railway zone in Manchuria, forces of Marshal Chang Hsueh-liang are being moved out of Manchuria and concentrated in the region of Shanhaikwan or in that vicinity. The meaning of this troop movement, the official is quoted as saying, is that Chinese forces whose business is to protect Manchuria against foreign aggression are clearing out of that territory and abandoning it to the Japanese. And in order to prevent "further aggravation" of the situation, it is proposed to demarcate a neutral zone which curiously will enclose the only road through which Chinese forces in future can hope to re-enter the "neutral zone," to which Dr. Koo is ready to agree, the statement concludes.

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FOREIGN MINISTER EXPLAINS CHINCHOW POSITION

In connection with the three points raised by General Chu Ching-lan, noted philanthropist, Chu Fu-cheng, M. Ao-chu and Huang Yen-pei, in a telegram to the Foreign Ministry in regard to the proposal of creating a neutral zone around Chinchow in connection with the Manchurian imbroglio, Dr. V. K. Wellington Koo, the officiating minister of foreign affairs despatched a reply end of last week to the four interrogators defining the position and attitude of the Ministry. The gist of the telegram is as follows:

"I have the honor to acknowledge the receipt of your telegram in which you raised three points in regard to the Manchurian situation. I have brought the matter to the Foreign Relations Committee and am now authorized to reply to you as follows:

No Direct Negotiation

"1. With regard to the report that the government of the United States believes the settlement of the Manchurian case depends upon direct negotiations between China and Japan, I have only learned this in the newspapers. When on the 30th of last November Mr. Shigemitsu, the Japanese minister, called on me and offered me his congratulations on my assumption of the new office, he incidentally made some reference as to the views of the Japanese government in regard to the proposal for the creation of a neutral zone at Chinchow, whereupon I definitely informed him that the Chinese government has already accepted the proposals of the League Council and emphasized that my conversations with Mr. Shigemitsu at that time must not be taken as a prelude to direct negotiations between the two countries. As to the reported conversations between Vice-Commander-in-Chief Chang Hsueh-liang and the Japanese, Chang has already denied that any agreement or understanding has been reached during the course of their conversations. Gen-

eral Chang clearly intimated that the case is one for the central government to settle and that he will not take any part in this connection.

"2. On the 26th of November last, the League Council advanced the proposal that the observers delegated to Chinchow by the various neutral powers are to consult with each other and to see whether a "buffer" area between the Chinese and Japanese armies could be demarcated in order to avoid direct contact of the opposing forces. The Council further proposed that the neutral observers are to try to establish connections with the commanding officers of the Chinese and Japanese forces to meet any contingency that may arise. To these proposals the Chinese government has voiced approval and has already instructed the military officers at Chinchow to make contacts with observers from time to time. However, the Japanese government has so far not yet consented to the Council's proposals.

"3. With reference to the Chinese territories to the east of Chinchow, these are still occupied by Japanese troops. However, the Chinese government has made strong representations demanding complete evacuation of the Japanese forces from such areas, and Dr. Alfred Sze at Geneva is already now conferring with the League Council as regards the details of the evacuation."

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Nanking Instructs Sze to Reject Neutral Zone Proposal

With reference to the proposed establishment of a neutral zone at Chinchow, the Ministry of Foreign Affairs Dec. 5 dispatched urgent cable instructions to Dr. Alfred Sze, chief of the Chinese delegation to the League Council at Paris, instructing him to reject the neutral zone proposal. The gist of the instructions was reported by the *Kuo Min* news agency as follows:

1. The Japanese proposal to the League Council that a neutral zone be established at Chinchow is unacceptable to the Chinese Government.

2. The National Government considers the Chinchow question as already settled at the meeting of the Council on November 26, when neutral observers were requested to prevent a possible clash between Chinese and Japanese troops.

3, The National Government has to inform the Council that no definite arrangement has been reached with the Ministers of the three foreign Powers (namely, Great Britain, France and America), as they have refused to guarantee that Japan will not advance further beyond the proposed neutral zone.

4. If Japan were sincere in her professions that she does not intend to attack and occupy Chinchow and if the report that she has ordered her troops to be withdrawn from the vicinity of Chinchow were true, there will be no possibility of any clash between Chinese and Japanese troops. The National Government assures the Council that it has no intention whatever of ordering the Chinese troops to advance eastward from Chinchow.

5. The Council of the League has from the very beginning called for fhe withdrawal of the Japanese troops. Should the Council now demand the withdrawal of Chinese troops from Chinesee territory, the entire Chinese nation will be "shocked and surprised."

6. The Japanese proposals are obviously designed to pave the way for the complete control of the Three Eastern Provinces. Thus, the reservation made by Japan that the provincial government at Chinchow should be replaced and that the Japanese troops should have the right to suppress banditry etc. will, in effect, completely vitiate the value of the proposed League resolution.

7. With reference to the Japanese proposals concerning the neutral zone, the Central Political Council has decided that the proposals are unacceptable to China. Should Japan launch any attack upon Chinchow, the Council of the League should take immediate and effective measures to prevent such attack, failing which the Chinese Government reserves the right to take effective measures in self-defense.

8. In creating the so-called "Chinchow question," it is apparently the purpose of Japan to side-track China. The National Government therefore holds that this question should not in any way affect the resolution of the League Council.

9. Public opinion in China is strongly against the proposed establishment of a nentral zone. Both the people and the Government are strongly opposed to the withdrawal of Chinese troops to inside the Great Wall, as Chinchow is now China's last and only remaining fortress in Manchuria.

A "Warning" to the Canton National Party Congress

BY I HSI YANG

The Canton Fourth National Party Congress cast a gloomy shadow over the scheme of peace and unification a week ago by its defeating the *modus operandi* adopted in the preliminary unification conference at Shanghai. A gleam of hope followed the rush of Hu Han-ming and Dr. C. C. Wu to Canton as mediators. But the outlook does not seem as bright as it at first appeared. The political situation at Canton was exceptionally tense upon the arrival of the mediators, and Hu Han-ming immediately left for Hongkong to show his disappointment and admitted that he had failed in his mission. Later through the influence of Gen. Chen Chi-tong, a settlement is hoped to be reached. Whether this is the real step toward a mutual understanding and cooperation is still in doubt. For the sake of the whole nation, we do hope that it is.

This is the time that the people in China should have the absolute right to demand their political leaders and militarists to forsake all their personal prejudice and stop all their political squabbles.

Ever since September 18, China has been facing a national crisis. She placed her trust in the League of Nations, but the League failed her. She pleaded for international justice, but the world mocks at her. The critical moment has come for China to save herself, and by herself alone. Unless China is able to present a united front to the world, her fate is sealed. When a crisis such as this has happened, there is a clear duty before all the men who have the power to enforce the unification of the country. The preliminary unification conference at Shanghai was an indication that the political leaders in spite of different views, had decided to come and join hands to pull the ship of state out from the perishing storm.

China has suffered enough from the greediness and selfishness of her political leaders. For twenty years she has undergone one civil war after another. She has paid dearly, she has paid it with human blood and bankruptcy and this time she has to pay it with her whole national life. The internal split and weakness is the outstanding cause of the foreign invasion. Japan would be a fool if she does not seize the golden opportunity to fulfill her long coveted dream! and her dream has come true!

The people of China believe that, by now, at least the militarists have learned a bitter lesson, and now realize a new orientation is necessary. No matter what they have done, we forget and forgive, we hope and pray. We tremble with joy on the eve of the forthcoming unification. We are ready to die under our national flag to save our Fatherland from distraction.

The nation is in grave danger. It is a shame that the Fourth National Party Congress in Canton still has the heart to start fresh troubles to hinder the trend towards peace. If these militarists have a bit of conscience left, and an ounce of fighting spiriting survives, why do they not stand up like man and follow the banner of General Ma Chun-shan to defend our country against foreign foes?

Do not let the world laugh at us again! The League shows little respect for China, mostly due to the fact that she is not a united political entity! The Powers think that what China receives is what she deserves! What a pity! What a shame!

The adage "united we stand, divided we fall" may be trite, but it is decidedly lame, and its application to China today is obvious. It is up to the people of China to unite to bring pressure upon the factional leaders, and remind them of the fact that we want nothing but peace and unification, and tell them frankly that we shall overthrow any one who dares to defy the wishes of our people.

Shanghai, December 8, 1931.

Dr. Kuangson Young Addresses English Audiences on Manchurian Situation

Dr. C. Kuangson Young, Chinese Consul General in London, was among the speakers at a special Armistice service, held under the auspices of the League of Nations Union, at the Palace Theater in Carlisle, England, Sunday evening November 8. Dr Young also addressed the Rotary Club at Ilford, England, November 9. In both addresses Dr. Young discussed the Manchurian situation and stressed the point of how the peace of the world was being menaced by Japan's invasion.

The Chinese Language in Fifty Ten-Minute Lessons !

BY PROF. W. A. SCHARFFENBERG

Lesson No. XLVIII

WRITING

With whom did characters originate? It is claimed by some that Fu-hsi was the father of the Chinese character. He conceived the idea of placing his ideas on record as a result of having noticed the marks left by the birds as they walked over the sands. He studied these lines and gradually evolved the idea of using simple strokes to represent ideas, and before long he had developed a simple alphabet. It is said that Tsang-hsieh who lived about 2500 years before the Christian era arranged the characters in systematic order, and that under the reign of Hwang-ti official recorders used these characters in keeping their daily accounts of court affairs. It appears that in ancient times, characters were used only in connection with government affairs. There was no attempt made to learn them by the populace. They apparently represented a code understood only by a few government officials.

Space will not permit our giving a historical description of the development of the character from the early days to the present time; suffice to say that the evolution of the character from simple pictoral descriptions to the characters used at the present time was slow. These changes were gradual and centuries passed over each period. The modern characters have already been in use for several centuries. A writing knowledge of one or two thousand of the most practical characters will be of inestimable value to the Chinese language.

The five year course of study offered by the Home Study Institute calls for a certain amount of written work in each year. Beginning with the second quarter of the first year, the student is introduced to the art of writing. The simple strokes used in writing are first mastered. Each lesson will acquaint the student with a few additional rules of learning to write Chinese, and from these simple strokes the student is led on and on in the realms of the art of writing Chinese characters. There are 400 characters to be learned in each year's work.

CHARACTER STUDY

Character No. 236 (邊1)

An edge, a bank between fields, a boundary, margin, a border.

Pronounced (I.P.S.) pen (R.) pien

The radical 辵 to go; 自 which is said to be a picture of the nose and according to Chinese embryology is claimed to be the first part or starting point of the human body; 穴 a cave or storehouse; and 方 in the old pictoral writing referred to a double covering, hence invisibility. The combination of the above elements therefore refers to an article which once located in a storeroom but later disappeared. Hence the idea of walking on the disappearing or edge of the line.

Character No. 237 (旁2)

Side, Beside, or near.

Pronounced p'an

A combination of the radical 方 and 亠 which refers to a space with three border lines. The upper part and the two lower lines refer to the dividing lines. Hence the relationship to side, beside, or near to.

Character No. 238 (南2)

South, The region of fire and vegetation.

Pronounced nan

This is an old symbol. It is hard to break up, but evidently refers to the three 冂 sides of a field with 羊 abundant vegetation inside, to the extent that it bursts forth and forces its way thru the top. Certainly an apt illustration of the luxuriant vegetation in the south.

Character No. 239 (北5)

North

Pronounced (I.P.S. pĕ' (R.) pei

Rather difficult to define. In the old seal script, it representen two men standing back to back. The Chinese usually plan to face the South, hence the idea of the back to the North.

Character No. 240 (京1)

A capital

Pronounced (I.P.S. tsin (R.) ching

Claimed, by some, to be a picture of a gate tower which is generally located on the city walls of capital cities. Hence the idea of capital.

VOCABULARY LIST

778. 這邊 — This side, here.
779. 那邊 — That side, there.
780. 裏邊 — Inside.
781. 南邊 — South side, in the South.
782. 東邊 — The east side, in the East.
783. 西邊 — The west side, in the West.
784. 北邊 — The north side, in the North.
785. 外邊 — Outside.
786. 旁邊 — The side.
787. 旁人 — A bystander.
788. 南方 — The southern region.
789. 北方 — The northern region.
790. 東方 — The East.
791. 西方 — The West.
792. 南京 — Nanking, the Southern capital.
793. 北京 — Old term for Peking, the Northern capital.
794. 東京 — Tokyo.

SENTENCE WORK

506. 這邊的人多 — There are many men on this side.
507. 那邊的人少 — There are not very many men on that side.
508. 先生住在那裏 — Where do you live?
509. 我住在南京 — I live in Nanking.
510. 北方的人要打南方的人 — The Northerners want to fight the southerners.
511. 南方的人也要打北方的人 — The southerners also want to fight the northerners.
512. 兩方都要打 — Both sides want to fight.
513. 北方的人在北京 — The northerners are at Peking.
514. 南方的人在南京 — The southerners are at Nanking.
515. 過一兩天就要開仗 — Within a day or two war will commence.

READING LESSON No. XXIII

念課

第二十三課 地方

南京是現在的京城 國民政府就在那裏 所以也能叫做國都 還能叫說新都 但是現在的北平 就是從前的北京 從前也是京城 所以南京同北京 這兩處地方的話 都叫做官話 官話處處懂得 人人知道 若是初到中國來的外國人 先下手學官話 不但是容易學 還是容易懂 一年以後 就可以會朋友買東西 還能教出門去同各界的人們做事 在我看沒有一點難處

These simple lessons in the Chinese written and spoken language, the first of which appeared in *The China Weekly Review* on January 17, will appear throughout 1931. Persons interested in a more intensive study in class work or by correspondence are requested to communicate with Prof, Scharffenberg, are THE HOME STUDY INSTITUTE, No. 25 Ningkuo Road, Shanghai.

Bangkok Opium Conference a Practical Failure

PRACTICALLY unmentioned in the telegrams, the League of Nations Conference on the Suppression of Opium Smoking took place at Bangkok, Siam, last month. According to the Bangkok *Daily Mail*, the Conference developed into "a monotonous recital of reasons why the nations represented cannot adopt the various recommendations of the Commission of Enquiry, whose report is being considered." At the session on November 19 the League made a strenuous effort to unite in what would have been at least a gesture toward the ostensible aims of the gathering, but it met with dismal failure when France and Portugal found themselves unable to endorse even in spirt the resolution which would have called upon all Governments concerned to "examine the possibility of introducing systems of licensing and rationing in locations where smuggling does not present a serious difficulty." The following report is condensed from the Bangkok *Daily Mail*.

Licensing and Rationing "Impossible"

Bangkok, November 19.—Both the French and Portuguese delegations admitted that it would be an easy matter to endorse the resolution and to report the progress made to the League of Nations Council in two years, which was one of the provisions, but both delegations insisted that the extent of illicit traffic was so vast in the territories of Macao and Indo-China that licensing and rationing was an absolute impossibility and would remain so until the source of supply of illicit opium was throttled. Sir Malcolm Delevingne, British Delegate, who had proposed the measure, agreed nevertheless to draft the resolution for further consideration. Since the resolution as suggested would place little or no obligations on the nations adopting it, all it calls for being the "consideration of the possibility," it is hardly conceivable that its terms can be broadened further. Thus it appeared when the Conference proceeded to the next recommendation of the Commission of Enquiry that nothing whatever will come of the effort to have all the nations concerned adopt systems of licensing and rationing—systems admitted to be necessary for any actual suppression of the habit.

The countries willing to accept the proposed resolution were Great Britain, the Netherlands, Japan and Siam. Siam is the only one of these in whose territory the systems are not already at least partially functioning. And in agreeing to the "spirit" of the resolution, Prince Vivat, Siam's delegate, admitted that he doubted strongly whether Siam would be able to introduce either system as long as the contraband supplies continue. As for the possibility of general licensing and rationing, it was hardly considered by the Conference. Japan is the only country represented in whose territories both systems are actually functioning. All the rest declared, in effect, that they could not introduce the systems because of the illicit traffic.

A tense moment came when Sir Malcolm Delevingne pointed out that while the report of the Commission on Page 142, Vol. 1, asks the nations concerned to adopt licensing and rationing immediately, the same report on Page 135 of the same Volume has this to say: "As long as illicit opium is freely offered to the consumer at prices cheaper than the legitimate article or in quantities which exceed those available to the legal consumer owing to restrictions on individual consumption, Government measures to limit consumption or prevent the further spread of the habit will never lead to total suppression of opium smoking. On the whole, Governments have gone as far in the control of the habit as the extent of the illicit traffic has permitted."

In explaining the apparent discrepancy in the report, M. Eric Einar Ekstrand, Chairman of the Commission of Enquiry, stated that the Commission reached certain conclusions subsequently. It decided almost immediately, he said, that no system could be satisfactory unless poppy cultivation were controlled or, at least, unless illicit traffic were controlled. But to leave the enquiry there, he said, would make the result seem, they thought, rather weak.

The Utilization of Dross

Bangkok, Nov. 20.—The conference to-day gave its tacit approval to two proposals which promise to swell the already considerable profits the nations are making out of their unsuccessful efforts to reduce the consumption of the drug in the Far East. These proposals concerned the disposition of dross, the substance remaining in the pipe after the prepared opium has been smoked, the collection of which, to prevent the spread of dross addiction, materially reduces the profits of the Government monopolies, which attempt to control it at all.

As tacitly approved by the Conference, dross, which contains a considerable portion of morphine, and which has hitherto been destroyed after collection by the monopolies, may be utilized by the monopolies as follows:

1—Mixing a small percentage of dross with raw opium for the manufacture of prepared opium as now practiced in the Netherlands Indies.

2—Selling dross for the purpose of manufacturing morphine for scientific purposes.

The first method of dross disposal was brought up by Sir Malcolm Delevingne, British Delegate, when he was inquiring into the Netherlands system.

The second proposal was made by Prince Vivat, Siam's delegate.

Both proposals were embodied in a resolution suggested by Sir Malcolm, the first portion of which concerned the control of dross, and while no delegate present found any objection to either, it was finally decided that there was no need for a resolution at all, since the disposal of dross by the monopolies of the various nations was not a matter which concerned the Conference.

The remainder of Sir Malcolm's resolution, which proposed that the Conference endorsed the "principle" of the Commission's recommendation concerning the strict control of dross, and which suggested cooperative research in order to find a method of detecting adulterated dross, had not been settled one way or the other when the Conference adjourned.

Virtually the only constructive suggestion made was that of Sir Malcolm Delevingne, who pointed out some of the chief difficulties in collecting dross from the smokers who are not licensed arising from the ease with which the smoker adulterate the stuff with, as he said, "American patent breakfast foods and iron shavings," and thus not only defraud the Government monopolies but succeed in retaining a part of the dross. He suggested that research be started with the idea of finding a simple method of detecting adulteration of dross at the time it is returned to the monopoly.

In making his interesting proposal that the Governments which are successful in collecting dross might, without violating either the spirit or the letter of any of the international agreements, sell this dross for the manufacture of morphine instead of destroying it, Prince Vivat first explained the system of dross-control and collection as it is practised in Siam.

In Siam the licensed opium shopkeeper is bound both by law and by his contract with the monopoly to return all the dross to the monopoly. His profit is from the price he gets for the dross he returns to the monopoly. If the dross is not of the proper percentage in accordance with the amount of prepared opium given to him by the monopoly, he may be prosecuted or have his license revoked.

Regarding the mixing of dross by the monopoly in the Netherlands Indies, it is explained in the Commission's report that this is done because "smokers are supposed to prefer prepared opium which contains a mixture of dross on account of the taste."

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The Question of Opium Prohibition

The following editorial appeared in the Bangkok Daily Mail, November 21.

The expression of the views of the United States on the suppression of opium smoking in the Far East, as presented by Mr. Caldwell, the American Observer at the Opium Conference now in progress at the Grand Palace, opens an entirely new avenue of thought for those who have been following, merely, the statements of the Delegates at the Conference. For the United States, through Mr. Caldwell, says, in effect, that all talk about methods of distributing opium to addicts, systems of control in Government-operated dens, prices charged, and

so forth, is so much folly if the nations which are doing the talking are sincerely interested in suppressing the habit of opium smoking. The first step toward such a goal, the United States insists, is to pass statutes prohibiting the importation, manufacture, sale, possession and use of prepared opium. The second step, it holds, is active enforcement of these statutes. After this has been done, it agrees, the nations interested may well get together to discuss methods of curing persons already addicted to the use of opium or persons who have become addicts through the agency of illicit smuggling. But so long as the nations interested elect to maintain the monopoly system (which was termed, it adds, a temporary expedient in 1912) the United States, which has absolute prohibition in its Oriental possessions as well as in its own territory, can no longer concur in the policy of the other nations which signed the Hague Convention.

United States Questions Sincerity of Other Nations

The position as stated is certainly clear enough. In effect, the United States is questioning either the sincerity or the sanity of the other nations concerned, for it says that the method they are following to suppress opium smoking simply is not the right method. Officially the United States is polite enough not to mention the somewhat delicate question of the considerable revenues these nations are receiving from the sale of opium. Officially, the United States accepts the reason given by all the other nations for the delay of absolute prohibition—that the extent of the illicit traffic is such that prohibition would merely result in the transference of the privilege of selling opium from supposedly kind and humane Governments into the hands of admittedly unscrupulous peddlers. In answer to this, the United States, with, perhaps, a jaundiced eye on its own efforts to enforce liquor prohibition, remarks that it fully recognizes the difficulties involved in such an undertaking. But, it insists, illicit traffic can be cut off, or materially curtailed, if the nations concerned are willing to make the effort.

And the position as stated has its strong points. Certainly it is at least consistent, and certainly there are innumerable inconsistencies in the position of the other nations today. The most obvious of the latter is the question of revenue from the sale of this drug they are trying to suppress. By the very fact that a considerable part of their revenue is derived from the monopoly, a difficult question arises when the abolition of the monopoly and the substitution of absolute prohibition is suggested, for it means that each nation concerned not only would have to appropriate considerable funds for the enforcement of prohibition, but it would have to appropriate such funds from a budget materially reduced by the stoppage of the opium revenue. In addition to this unenviable position, is another which also must embarrass these nations considerably. This is the fact that in the districts where illicit traffic is extensive the only method of fighting it is to lower the prices of the Government-sold opium. The logical progression of such a method would bring the nations employing the monopoly as a means of suppressing opium to a point some day where they would be forced to give the stuff away in order to prevent the consumption of the smugglers' wares.

United States Spends Money on Moral Crusades

It seems to us that the whole truth of the matter is that the United States chooses to spend a great deal of money on such moral crusades while the other nations concerned do not. There is the view, we know, that even if these other nations did adopt absolute prohibition of opium, and spend hundreds of millions of francs, pounds, guilders, ticals and such on enforcement, the habit of opium smoking would not be effectually suppressed. This, we believe, is unsound. This nation, for instance, could enforce absolute prohibition of opium smoking, despite its unfortunate geographical position —if it chose to disband the present police force and supplant it with one in which each man was paid a salary so high that he would sniff at smugglers, then enlarge the new police force so that it extended along the thousands of miles of our frontier, and then conquer the jungle along that frontier so that the policemen could exist there. But in the present state of this country's development, when the honest and hard-working farmers are in need of parental assistance, when public education, generally agreed to be a worthy enterprise, is in its infancy, when public health is scarcely yet conceived—to even consider the expenditure of a tenth of the sum of money such an undertaking would require, simply in order to save a comparatively small percentage of the population from a fate which they seek and which some people still hold is no less unpleasant than any man's, with the additional possibility that the fate they received in return would be just as bad anyway, would certainly be national madness. And so, in our opinion, would it be for every other territory in the Far East, whether colony, dependency, or dominion.

Thus, we repeat, the Conference now sitting cannot be expected to accomplish anything concrete in the way of improving the situation, unless, perhaps it is to meet frankness with frankness and say to the world that the reason the nations concerned do not adopt opium prohibition is that they really cannot possibly afford to enforce it.

Japanese Hold Mass Meeting in Shanghai

A largely attended Japanese mass meeting was held Sunday noon, Dec 6. in the compound of the Japanese Central Primary School in Range Road, Shanghai. In the streets outside Japanese boys and girls distributed miniature Japanese flags. The meeting was held in the playground in front of the school, in the centre of which the speaker's dais had been set up with microphones; there were loud speakers on either side. The front of the school was decorated with flags and slogans.

The meeting unanimously adopted a manifesto and five resolutions. The manifesto alleged that the present unfortunate conflict between Japan and China had its origin in the continuous anti-Japanese agitation conducted directly or indirectly by the Nanking Government as a logical corollary of the so-called "revolutionary diplomacy." The Nanking Government since its foundation had promiscuously assailed the so-called foreign imperialism and had more than once unilaterally proclaimed the abrogation of existing treaties considered unfavorable to her. Its educational policy, inspired by almost fanatical nationalism, had by inaccuracy and fabrication fostered deep-seated anti-foreignism among the masses, until it had become a chronic national mania. It exploded sometimes in the form of anti-British demonstrations, at other times in anti-Japanese excesses, according to the whim of the times. Moreover. China's internal disorder imposed upon Japan the duty to take full and complete measures of self-defense in Machuria.

The resolutions asked that the Japanese Government compel the Chinese Government to respect and carry out the existing treaties and exert all effort to make it alter its attitude towards foreign countries, that positive measures be taken to cause the Chinese Government to suppress all illegal anti-Japanese activities, and that the Japanese Government refuse interference by any third party in order to secure a fundamental solution of all pending problems between Japan and China.

Chinese Schoolmaster Alleged to Have Pilfered "Salvation" Funds

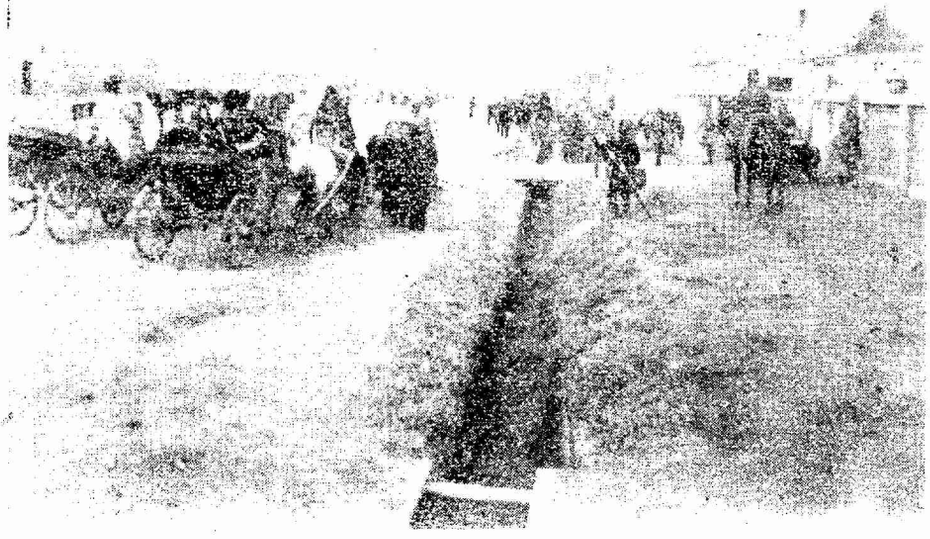
The Chinese principal of the Ming Teh school, North Szechuen Road, has been accused of pilfering some of the "national salvation" funds collected during the past few weeks by enthusiastic youthful volunteers for the purpose of remitting them to Gen. Ma Chun-shan in Manchuria. A large sum, as yet uncomputed is alleged to have been secretly removed by the schoolmaster from the bamboo receptacles used by the students as collecting boxes in their recent campaign. A mild riot occurred among the students of the school in question when they heard of their principal's alleged dis honesty. Discevery of one of the bamboo collecting boxes concealed in a book cabinet in the principal's library is said to have led to the discovery of the schoolmaster's dishonesty and the students mobbed his quarters demanding an explanation. Only the timely intervention of junior teachers of the school prevented the principal from being assaulted, it is reported. The students claim that, with 1,000 students from this school collecting with 200 boxes, on the basis of other collection returns they must have taken in $7,000. The boxes were all left overnight with the principal at the close of the campaign and the students allege that the principal secretly removed part of their contents during the night. When the money was counted next day they found only $1,300, which was turned over to the Kuomintang authorities.

GRAPHIC VIEWS SHOWING JAPA

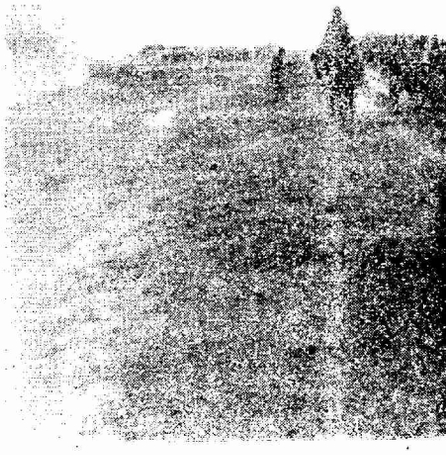
In zero weather, hundreds frost-bitten despite their fur-lined hats and sheepskin lined unif city November 19. Details of the occupation were given in the December 5 issue of "The Rev

1—Outskirts of tiny village of Anganchi, station on the Chinese Eastern Railway near junction point with the Taonan-Anganchi Railway. The former is a Sino-Russian joint enterprise, the latter a Sino-Japanese line. When the Japanese troops advanced to Tsitsihar, capital of Heilungkiang province, which they occupied on Nov. 19, after driving out the Chinese, a furious battle was waged near here, but the Japanese carefully avoided any destruction to the Chinese Eastern Railway, which might be considered a violation of Soviet rights and thus bring Russia into the Manchuria tangle.

2—Palatial offices South Manchuria Heilungkiang province. Although S. M Chinese railways reaching to this city, t head office at Dairen. The building was and the Japanese General Staff when Ja and his 20,000 defending units from th quarters.



4—Japanese troops gathering outside the headquarters of General Tamon, commander of the army which invaded Tsitsihar, capital of Heilungkiang province, preparatory to holding a parade through streets of the captured city.



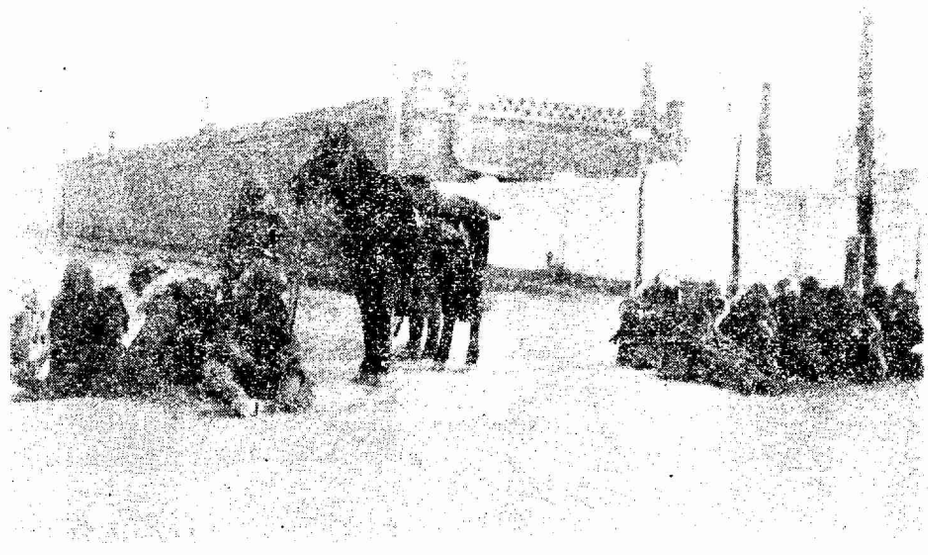
5—Japanese troops gathered along marching in direction of the former city

Photos by Edgar Snow, T

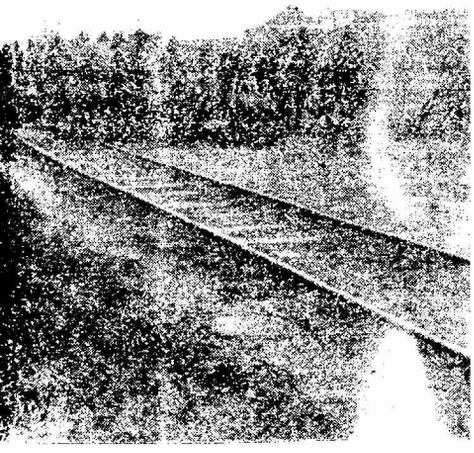
ANESE ENTRY INTO TSITSIHAR

rms, the Japanese troops marched into Tsitsihar, Capital of Heilungkiang Province, entering that ew." These photos were delayed through the operations of censors—both Japanese and Chinese.

Railway Company in Tsitsihar, capital of
I. R. has no lines, no controlling interest in
he splendid building here shown rivals the
s immediately occupied by General Tamon
apan's troops drove General Ma Chun-shan
e city. It is now General Tamon's head-



3—Japanese troops, in fur-lined hats and sheepskin lined uniforms in zero weather on the streets of Tsitsihar, prior to holding a parade through the Chinese city the day after the Heilungkiang capital was occupied.



g the Tsitsihar-Anganchi Railway, and
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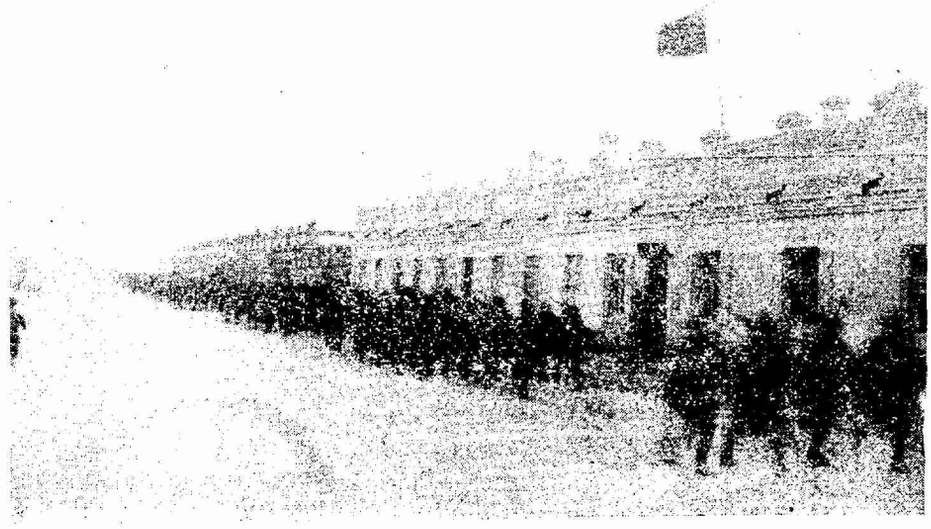
sitsihar, November 20, 1931



6—Japanese troops entering the city of Tsitsihar, following a one-day battle in which General Tamon, in commander of 3,000 Nippon braves, attacked and drove back the 20,000 soldiers under General Ma Chun-shan from the Nonni River, south of the Chinese Eastern Railway, to well beyond this town.

Why Soviet Russia Will Not Fight

BY A. A. R.

The author in this article points out that Russia would not have any chance whatever against Japan. Even the troops which Japan already has in Manchuria would be able to repel any Russian attacks for many months to come, owing to the fact that the single track Siberian railway is operating so badly that it cannot function efficiently, even in peace time—not to speak of the extra strain of war. Economically and industrially Russia is so badly situated that it cannot feed or clothe its people even in peace time and is in no position whatever to do so in war time. Over and above all this, a citizen army if mobilized would more than likely turn against the Bolshevist regime instead of fighting over the question of Manchuria, a subject in which the great majority of Russians are not interested.

IN these days, when the relations between China and Japan over the Manchurian situation have reached such a critical stage, it is only natural that one's eyes are directed towards Soviet Russia, which country claims immense interests in Manchuria. It is also a matter of general knowledge that important conversations have been lately going on between the Moscow and Tokyo Governments in which the Soviet Government has declared in no equivocal terms that Russia will remain neutral so long as her interests are not trespassed upon, thus repudiating a general belief that Russia has been secretly supporting General Ma Chan-shan, acting Governor of Heilungkiang Province, in his armed struggle against the Japanese invasion. As it has become evident that no material help can be expected from the League of Nations, which, when confronted with an open aggression by one of its major members, stands powerless to stop the warfare. a hope has been expressed in certain Chinese circles that, when Russian interests become exposed and trampled upon by the Japanese, Soviet Russia might come out in martial aspect, siding with the wronged country, China. However, recent events have shown that even in the face of crossing the C. E. R. by the Japanese forces, occupation by them of the city of Tsitsihar and the driving out their alleged protege, General Ma Chan-shan, the Soviets remain quiet and seemingly will not retaliate in any way.

The fear entertained by the many, and among them by such highly placed persons, as M. Briand, Colonel Stimson, etc., that Russia might get involved in the present embroilment and thus precipitate nothing less than another world war, has its origin in the misconception of present-day Russia and confounding her with Russia of twenty years ago, when the named country was a great military power, ready to support its interests in no less crushing a manner than the present Japanese military operations in Manchuria. The occupation of Manchuria and the free hand the Japanese have in it, all have been possible because of the absence of Russia in Far Eastern matters, in which she played the role of a balance. As soon as Russia disappeared from the Far Eastern scene, engaged in the World War, and the internal strife that followed it, Japan lost no time in leaping upon disabled China and snatching from her "the vested rights," in the alleged defence of which she has now occupied a territory equal, roughly, in area to France and Germany, and means to establish a virtual dependency under the eyes of other powers, said to be equally interested in Manchuria, and—even more—defying the joint decision of them all that the occupation should terminate by November 16.

Russia Not a Bogey to Japan Now

To give justice to Japanese writers and diplomats they are correct in stating that, when Russia was a power to be reckoned with, whenever the Japanese approached China with certain demands, she always dodged them, bringing Russia forward on the scene, thus keeping the Japanese in good check. Now, when it has become perfectly certain that the League of Nations will not go further than debating on the present crisis, some circles rightly expect that Russia will, as in former times, come to the rescue. Is that right?

The writer holds a different opinion and, with a view to ascertaining what is the opinion of the Soviet people in general on the matter, he approached a certain person of position in the local Soviet community and his opinion might be cited as quite representative. To my question; Will Russia intervene in the present situation with a view to safeguarding her own interests from the Japanese advances, he replied that it is highly improbable, giving the following reasons: First—Russia is not prepared for war with any first-class military power, and, if she were to be dragged into one, it's sure she would be defeated in the long run; second—the Communist Party, which rules over Russia, regards that, if Russia now sided with China in struggle against Japan, it would mean that the Party would be aiding the Chinese generals and bourgeoisie, or—in other words—its utter enemies; third—any defeat of the Red Army would mean the end of the Communistic dictatorship in Russia; fourth—Manchuria is not a Russian territory and therefore it would not be a proper course of action to imperil the Party for the sake of an alien land and people. However they—the Reds—feel the injustice and danger of the free play of the Japanese in Manchuria.

We cannot but agree to these views, that is, the Soviet Government is pursuing in the present dispute a policy, so convincingly described by our informant. Had the Moscow Government been nursing warlike designs with a view to checking the Japanese advance it would have taken adequate measures well before the capture by the Japanese of Tsitsihar. Now, when the Japanese Army is well entrenched in both South and North Manchuria, threatening to occupy the Soviet-Chinese controlled C.E.R. at a stroke, the momentum for the Soviets' interference has passed; it is evident the Soviets will do nothing in the matter nor will the Japanese trespass upon the Russian territory.

Japan's Preparedness

From the present pacific attitude of Soviet Russia we are led to think that the Moscow Government will not go to war even in case the C.E.R. is occupied by the Japanese Army. And there are certain grounds proving the correctness of our assertion. In the first place, we must take into account the relative preparedness of each country, Japan and Russia, for war, and a close study of this question discloses amazing differences.

The Japanese peace time army consists of the following units:—

Infantry	70	regiments
Cavalry	25	,,
Artillery: field	15	,,
mountain	4	,,
heavy	8	,,
Engineering Forces	17	battalions
Special Army Service	15	,,
Air Forces	8	regiments, consisting of 600 'planes
	2	balloon corps
Anti-aircraft Forces	1	regiment
Tank Forces	1	,,

Besides these forces there are detached infantry battalions for guard duty in Formosa and South Manchuria, railway and telegraph battalions, and other units for special duty. The total numerical strength comes up to 220,000 officers and men, divided into 17 divisions, including the Imperial Bodyguard division. Of this army two divisions are stationed in Korea and one in South Manchuria (this is additional to the S.M.R. guards, comprising six battalions).

Needless to say half of this army can be brought to Manchuria within a week from the start of war and thrown on battlefields, for which purpose Japan has excellent sea and land transportation facilities. Besides Dairen, the army can be brought via Korea, that is, through Fusan and the new port of Seishin. The S.M.R., having a double track throughout its length, affords excellent transportation facilities, whereas the Siberian Railway has only one track and that requiring constant repairs. For their immediate purposes the Japanese have, now operating in Manchuria, two divisions and the railway guard, the total numerical strength of which comes up to 25,000 or 30,000 officers and men. In addition to it they have one air regiment, each of the field and heavy artillery and other auxiliary troops, which force, all told, is thought adequate for the defence against any enemy, until the main force of the Army reaches the field. Besides this force, now operating in Manchuria, there are two Korean division, serving as a reserve, and ready to proceed to Manchuria at a moment's notice.

59-068

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59-069

To add to this, the resources of Manchuria, including the property of the Chinese Government, as arsenals, airfields, railways, banks, or—in other words—all that counts in any war, are literally in their hands. And they know the country as their own; in this respect they can excel any potential enemy, Chinese or Russians. The railways, built for strategical purposes, will play an immense role in throwing armies from place to place. Airfields have been constructed at Kirin, Ssupingkai and Taonan, and the one at Harbin will serve the as well as it does present Chinese owners.

It has long ago been said that Japanese modern war is a struggle between nations, in which all the resources of belligerents are brought into play and taxed to the utmost. In this respect, too, we see Japan is thoroughly prepared, which was demonstrated a year ago by a trial mobilization of the Osaka-Kobe-Kyoto district, when, under the supervision of Resources Bureau, every workshop, factory, communication system of every description, all was made to work on the army for 10 days as a trial. It means that every workshop and factory can be converted into a small arsenal. The trial was conducted with enviable enthusiasm and gave excellent results, as admitted by the army authorities.

Side by side with the preparedness of industry comes the preparedness of human resources of a nation, or what was once termed by Napoleon as "the cannon's flesh." Having a well organized military system, by which she annually invites to the colors about 100,000 men, all of whom pass from 1½ to 2 years of training in barracks, Japan can, if pressed, put forward almost within a couple of months an army of no less than 3,000,000 well-bodied and highly trained soldiers. Besides said 100,000 men, 200,000 pass annually the physical examination and are put to short-term military training outside of the barracks, So, in case of need Japan's standing army caan be esily brought to 3,000,000 men.

Japan's Efficient Navy

The real pride of the Japanese nation rests on the Navy, regarded as the third one among the world navies, coming next to the American and British Navies, and for which every Japanese tax-payer pays no less than Yen 10 annually (roughly). The following table will show the numerical strength of the Japanese Navy as it stands after the London Naval Conference of the last year:—

Capital ships	10
Cruisers	33
Air-craft carriers	4
Submarines	71
Destroyers	115

Besides these ships there is a number of special service ships, as minesweepers, gun-boats, dispatch boats, transports, hospital ships, etc, It would be no exaggeration to say that, if need be, this Navy can annihilate almost at a stroke all the combined Asiatic squadrons of the world powers, now anchored in or about China waters, not to speak of ridiculously old men-of-war of Russia, now lying at Vladivostock (said to be 11 in number). In case of war a certain number of the Japanese merchant ships can be speedly converted into light cruisers or special service ships, whereas Russia has not a single ship for that purpose.

Russian Conditions

The numerical strength of the Red Army is believed to be about 600,000 officers and men, with an adequate supply of tanks, airplanes and other implements of modern warfare. There is also a special corps of the G. P. U. troops, numbering 100,000 officers and men, the purpose of which is to quell continuous rebellions against the Soviet regime cropping up here and there. All this vast army is scattered all over the length and breath of Russia and cannot be thrown at once on Manchurian fields. The Red Army can meet the onslaught of the enemy only by that part of it known as the Special Far Eastern Army under the command of Comrade Gallen, who, two years ago, in the Sino-Soviet conflict, tackled the North-Eastern Army. There are no reliable data as to the numerical strength of the Far Eastern Red Army but we have a good reason to believe that all the forces of Vladivostock, Habarovsk, Blagoveschensk (opposite Heiho) and Chita do not exceed in number 30,000. They have, of course, an adequate number of fieldguns, tanks, armored cars and airplanes.

While we believe that in regard to the valor of soldiers and technical preparedness, the Red Army cannot be surpassed by the Japanese Army, the weakest point of Russia lies—in our opinion—in the internal situation of the country. A moment's deliberation will convince one. That Soviet Russia is undergoing untold hardships has been told and written by many, and—perhaps—in that respect there is no better an authority than Mr. Eugene Lyons, *United Press* correspondent in Moscow, who has in all these years been giving fairly accurate descriptions of Russian conditions, which strikingly coincide with other evidences to hand. There are too many causes as to why the Russian conditions are so bad and among them there is the selfimposed task of industrial reconstruction within five years, on the completion of which the young and the old in Russia are laboring against overwhelmingly hard odds.

Space is too limited to describe the real Russian situation, but it might be told in one sentence: there is the shortage of everything that is necessary to life, viz. food, clothing, house accommodation, etc.: everything is rationed, that is, one has to obtain all articles by special permits and against extortionately high prices. The following prices of daily necessities will bring home the idea about the Russian present day life (prices are given in roubles nominally equal to 50 gold cents): 1 kg. of butter 25.00, 1 kg. of meat 6.00, 10 eggs—I rouble, a pair of shoes—50-60 roubles, gent's suit—from 200 to 600 roubles. And all these are brought to co-operative shops in quantities very much short of those required. For instance, a shop having 1,000 members receives for distribution 15 pairs of shoes, and 8 suits, against the prices just stated.

Captain L.D. Vilkins, former U.S.Army engineer, who lived many years in Russia, being connected with a certain reclamation work in Turkestan, and who only recently arrived at Shanghai, thus related his expericnes in an interview with the reporter of *the North-China Daily News*:

> "There is but little food and what food there is, is expensive and of inferior quality. Bread is the usual staple and is rationed at the government stores. I have paid as high as 50 cents gold for one egg and $7.00 gold for a pound of butter in the private markets when it was impossible to purchase from official sources."

Another evidence of hardships in Russia might be cited from the appeal of Russian and German refugees who escaped into Manchuria several months ago almost, at the risk of their lives, inasmuch as no private Soviet citizen can under any condition leave the country, unless he is connected with the government or the Third Internationale. The frontier guards, made up of the G.P.U. troops, simply shot down anyone approaching the border; in that respect no trial or investigation is tolerated. The said Russian and German refugees, being members of various Christian denominations, have appealed to their respective churches for help and thus described their experiences (we quote only in part):

> "About five million people are deprived of voting, They are called "deprived." Their property is confiscated; they do not get food; they cannot work as they cannot work as they like, nor can they secure work in any institution. . . Everybody in the U.S.S.R. lives on the government, half starving normally, and works according to the regulations of the communists. The people struggle to live, as the instinct of life compels, and those securing food are usually unwilling to depart with it. . . We know of many cases of torture (by the G.P.U. agents) and capital punishment of those, who did not deserve it, their only guilt being an oral expression of disapproval of the violence exercised... Crossing of the frontier involves many hardships and serious danger of life. Refugees swarm across the Amur River. They steal to the water, cast off their clothing and swim naked to the Chinese side."

Why Russia Cannot Fight

Can the country with these internal conditions think of any war? And with a power of first-class military rating? No. That is why the Soviet Government is explicitly adhering to the non-interfering policy, the latest news being to the effect that the Moscow Government has ordered the Soviet management of the C. E. R. not to transport the Chinese troops or render any assistance to the Chinese Army. All the protests of Litvinoff, Karahan and other Soviet officials addressed to Japan, or to be addressed in future, do not go beyond the routine procedure and are intended to check the Japanese, but the real value of which the Japanese militarists know perfectly, better than anybody else.

A new Russo-Japanese war or a situation resembling the state of war would be disastrous to Russia, at least for the form of government and the party ruling these 14 years, inasmuch as, in that case, the country would lack one essential condition for any war—the general enthusiasm of the populace, of which Japan would have in super-abundance. The bulk of the Russian people has a very limited, vague idea about Manchuria, the Chinese Eastern Railway and all the Eastern problems and likely would not respond full-heartedly to mobilization and

—if called—would likely turn the arms against the Soviet Government and the Communst party in revenge for untold hardships and misgovernment for these fourteen years, thus precipitating nothing short of another civil strife.

Thus the weakness of Russia lies not in the Red Army of peace time but in the reserves, which would most certainly be called out as soon as would war starts. Another weakness lies in industry, which is wholly unprepared for the strain of the war situation. Even now, in perfect peace, the industry cannot stand the domestic demand. That in the hurry and bustle of war time this delapidated industry would grow up to the satisfaction of an abnormal demand from fighting forces and the rear is highly improbable, and is most likely will fall to pieces just in the way it did in the closing years of the World War, which was in part responsible for the Russian revolution and the appearance of Bolsheviks and their regime.

There are many evidences regarding the present state of Russian railways and among them are statements of the Japanese railway experts, who have specially been invited by the Bolshevik Government to inspect the Russian railways and to instruct their railwaymen in the art of repairing. And all agree in one voice that the Russian railways, including the much famed Trans-Siberian, are below the mark, and as such they cannot stand the strain of war-time transportation. "To conduct any extensive military operations," says the quoted Captain Wilkins, "an army must be equipped with excellent transportation facilities, especially if so far removed from its base as a Russian army would be in Manchuria. The Trans-Siberian Railway is in a very deplorable condition and can hardly take care of ordinary traffic, much less support the strain that would be put upon it in a military campaign."

We have tried to show that from every point of view Russia of to-day is not prepared for a prolonged war with any major country, much less with Japan, which country militarily and economicaly is fully prepared to face any adversary. Out of this there is only one conclusion, namely, that it is highly improper to pin much hope on any Russian intervention in the present Manchurian impasse, which will never take place even in the face of occupying by the Japanese of the C. E. R. zone. But the Japanese will not do it unless provoked, for the maintenance of the *status quo* on the C. E. R. highly suits the Japanese avowed policy in Manchuria. The Russian rights to the half of the C. E. R. is one thing and the Japanese interests in North Manchuria is the other, and both can for a time exist side by side. It is another matter that by the present occupation of Manchuria and its conversion into a Japanese dependency, as a first step to the continental Empire, Imperial Japan draws nearer towards the Communistic Russia. Out of this situation there will eventually crop up something interesting and worth while.

Mukden, December 1, 1931.

S.M.C. Lodges Appeal in "Boycott Theft" Case

Arguing that pilfering and blackmailing are being conducted by various Chinese groups under the guise of patriotism, the Shanghai Municipal Council through the Police Advocate, R. T. Bryan has entered an appeal against the recent decision of a Judge of the Shanghai District Court in a prosecution against four Chinese pickets of the National Salvation Association charged with robbery. In the original prosecution brought by the Council against the four accused Chinese, which resulted from the seizure of alleged Japanese goods from the premises of a Chinese piece goods hong, the Judge dismissed the robbery charge on the ground that accused were actuated by patriotism, and not personal gain.

The Municipal Council in the course of its petition in support of the appeal in the Higher Court says: "The Lower Court failed to make an order requiring the defendants to return the property valued at $1,760, Chinese currency, to the complainant. Police investigations indicate that this property in now being detained by the Anti-Japanese National Salvation Society at No, 467 Chung Shing Road, Chapei. Permit us to ask why it has not been returned to the complainant. Has it been confiscated? What has been done with it? Will it eventually be returned to the complainant or not? If the defendants and the Anti-Japanese National Salvation Society are permitted to rob the complainant of goods valued at $1,760 and receive as a punishment a fine of $20, suspended for two years and not be required to return the property to the complainant, robbery and theft becomes a profitable business."

NAPOLEON

lost the Battle of Waterloo because he had eaten fried potatoes for breakfast, so the story goes. Whether there is any truth in the story or not, it is certain that no man, whether he be a Napoleon or just an ordinary individual, can hope to do his best if suffering from disordered stomach with its accompanying headaches or feeling of out-of-sorts.

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59-071

In the Fields of Finance and Reconstruction

Nanking Plans Shansi Currency Reform Loan of $24,000,000

A *Reuter's* telegram from Nanking on Dec. 1 stated that at a meeting of the State Council held on the same day, it was decided to issue a public loan of $24,000,000 for the reorganization of currency of Shansi province. The issue is scheduled to be floated in January next year.

National Budget for 20th Fiscal Year Approved by Council

The Central Political Council at a meeting held on Dec. 2 under chairmanship of President Chiang Kai-shek approved the government budget of receipts and disbursements of the entire country for the 20th Fiscal year, according to a *Central Press* from Nanking.

Nanking Bans Foreign Deals Involving Vital National Interests

According to a *United Press* dispatch from Nanking, the Ministry of Interior, acting upon instructions from the Executive Yuan, has issued an order, forbidding Chinese citizens to enter into contracts with foreigners for either selling or leasing of forest, mining land, fish and railway interests. All agreements concluded without Government's permission and in defiance of this order shall be regarded as invalid.

Three New Aerodromes Completed in Fukien, Two More Being Constructed

According to information from the Aviation Administration at Nanking, three new aerodromes have been completed in Fukien, while two more are under construction. The former are situated at Foochow, Chuanchow and Changchow along the Fukien coast; while the two unfinished ones are to be at Funing in north-eastern Fukien and Yenping in central part of the province.

Nanking to Award Honorary Diplomas to Best Operated Electric Works

As an encouragement to private electric enterprises, honorary diplomas will be awarded annually to the companies achieving best results during the year, according to information from the National Reconstruction Commission. For the 19th year of the Republic (1930), awards are to be conferred upon Pootung, Soochow and Quinsan Electrical Works during the past year.

Dutch Sugar Gets Boom in Price as Japanese Product is Boycotted

The sale of Dutch sugar in Shanghai has recently received a considerable boom as a result of the intensive boycott against Japanese commodities by the Chinese merchants. During the last week, six shipments of Dutch sugar totalling 359,882 packages, from Java, were sold here. Additional consignments will arrive in Shanghai from Java during this month.

Local Shipping Companies Raise Freight Charges as Winter Advances

With the arrival of freezing season in the North, local steamship companies have announced a raise in freight charges on cargoes, effective from the first of the present month. According to the new rates, the freight for flour will be increased from 9 to 21 tael cents per bag, while linen and cotton piece goods from 16 to 18 taels per ton. The freight for cargoes on other kinds will be raised by 20 per cent.

Heavy Fall in Postal Revenue for Current Year Anticipated

According to present indications, a heavy decline in postal revenue for the present year which may amount to as much as five million dollars is anticipated by the Postal Authorities. Information from Ministry of Communications states that a marked falling off in receipts has already been felt by the Postal Administration since the widespread flood devastations in the Yangtse Valley and this, coupled with the Japanese invasion of Manchuria, has considerably decreased the monthly receipts from the various postal services.

Finance Ministry Imposes Embargo on Silver

The Ministry of Finance issued a ministerial order on Dec. 1st prohibiting the export of silver dollars. According to measures adopted by the financial authorities, the Bankers' Association in Shanghai will be instructed immediately to organise an investigation committee for the purpose of recording and ascertaining the actual cash deposits in each bank and other commercial firms every day for reference. Rigid inspection will also be enforced by the Customs authorities to check the smuggling of silver dollars by passengers between different ports.

First China-Made Airplane Completed at Nanking

Marking a new era in the development of aviation in China, Col. Yuan Pao-kwang, chief mechanic at the Central Aviation School, has successfullv completed the building of the first Chinese airplane, according to a United Press dispatch from Nanking on Dec. 5. The new plane is of the same type as the Moth, capable of flying at a speed of 100 miles per hour and is intended for use in army for reconnoitering purpose. The total cost of the machine is estimated at $70,000. The plane is nearing completion and the first trial flight will take place early next month.

Coal Transportation on Tsin-Pu Line Given Preferential Rates

Preferential rates for coal transportation on the Tientsin-Pukow Railway has been given offer by the Railway Administration at Nanking in order to encourage coal production and export. According to the decision reached, in addition to the low rates for coal on that Line as compared with rates for other commodities, a 10 per cent rebate will be granted henceforth. For coal destined for Tientsin or Shanghai, however, a further 10 percent will be given to stimulate coal exports.

Aviation School at Nanking to Be Removed to Hangchow

Owing to the limited accomodation at Nanking, the Aviation Institute of the Aviation Administration at the Capital will be removed to Hangchow. Representatives have been dispatched by the Aviation Administration to Hangchow to select a suitable site with a view to commencing construction work at an early date. Meanwhile, the Chekiang Provincial Government has been requested to afford the Administration every assistance and co-operation in providing the necessary facilities for the school.

Merchants Plan Organization of International Trade Bureau for China

Sponsored by a group of fifty leading financiers and business leaders of Shanghai and Hankow, plans have been recently launched for the organization of a trade bureau to handle China's import and export trade. According to the scheme, when the Bureau is established, all China's import and export business in the various Chinese sea ports will be monopolised by the new organization in future. The capital for the enterprise is being fixed at $10,000,000 and the main office is to be located at Shanghai. In view of the importance of the proposed organization to China's national commerce, the regulations governing the establishement of the new company will be drawn up by the Ministry of Industries.

Gen. Yen Launches Ambitious Scheme for Industrial Development of Northwest

A $12,000,000 new industrial enterprise for the development of the Northwest has been organised by Gen Yen Hsi-shan, former Governor of Shansi Province, at Taiyuan, according to Mr. Ma To who recently arrived at Nanking in connection with the registration of the Northwestern Industrial Corporation, as the new organization is known, with the Ministry of Industries. Mr. Ma stated that the Corporation will endeavor to develop the northwest chiefly along four lines: namely, cattle raising, coal-mining, cotton spinning and weaving and fur and leather industry. These are to proceed in accordance with the program of industrial development for the northwest formulated by Gen. Yen himself who has subscribed $3,000,000 towards the capital.

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59-073

Boycott on Japan Booms British Cotton Trade with China

A consignment of 340 packages on cotton linen thread, ordered by local Chinese cotton and linen mills from Manchester, England arrived at Shanghai last week. This was the first shipment of raw catton material for England this years Before the boycott on Japanese goods was started, most of the Chinese and linen mills purchased their raw material from Japan. In view of the large demands of the raw cotton material in China, the Chinese cotton mills have turned to Manchester for supply of such materials.

New Apartment House Planned by Realty Company on Bubbling Well Site

A 10-story apartment house building will soon be erected on Bubbling Well Road opposite the Embassy Theater, it is announced by the Yah Loong Realty Company. The projected building will occupy the strip of land between Love Lane and Bubbling Well Road which is owned by a Chinese merchant. According to present plans, the first two stories of the projected building will be for shops. The third, fourth and fifth floors will be for smaller flats, while upper floors will provide accomodation for bigger compartments. As soon as architectual plans are completed and approved by the Shanghai Municipal Council, construction work will be started immediately.

Local Waterworks Floating New Debenture Issue of $2,800,000

The Shanghai Waterworks Company is floating a new stock issue to the amount of $2,800,000 at par value. The new debentures will be for a term of from 10 to 30 years and will bear interest at rate of six per cent per annum, payable half yearly on June 30 and December 31 of each year. Holders of the $2,000,000 8 per cent Debenture issue of 1921 have had a prior right of exchanging their holdings for the new debentures, but duration of this right was limited to Nov. 30. The new issue has been open to public subscription since the first of this month. As debentures of the Waterworks Company have always been held in high repute, it anticipated that the whole issue will be fully subscribed in a short time.

Yen 146,729,000 Gold Specie Exported from Japan During November

According to a statement issued by the Japanese Finance Office on Dec. 4, Y 146,729,000 worth of gold was exported from Japan during the month of November. The figures as carried by the *Rengo* Service are as follows:

Export Yen 146,729,000
Import Yen 376,000
Total Yen 147,105,000

Excess in Export Yen 146, 535,000.

From this, the statistics of the Finance Office shows the total of Japan's export and import of gold since January to the end of November, this year, as follows:

Export Yen 348,778,000
Import Yen 11,056.000
Total Yen 359,834,000

Excess in Export Yen 337,722,000.

Shanghai Merchants Put Ban on Silver Exports to North

Local financial circles have become greatly concerned over the continuous flow of silver from Shanghai to Dairen, Tientsin, Tsingtao and some other Northern ports which has been seriously affecting the financial situation in Shanghai. Up to the end of last Month, over $8,000,000 have been exported. It has been discovered that half of the amount was shipped to Dairen and the other half to Tsingtao and Chefoo chiefly by the Japanese financial interests in Shanghai who, as agents of their militarists, are moving the cash from Shanghai with the intention to create havoc in Shanghai's financial market. Owing to this large scale exportation of silver, a cash shortage is being keenly felt in Shanghai. With a view to remedy the situation and solve the cash shortage problem, local commercial leaders have organised a financial investigation committee to examine and limit further exports of silver from Shanghai. In case any unscrupulous Chinese should be found selling silver to Japanese disciplinary punishments will be meted out to them by the National Salvation Assotiation.

Government Bonds Picking up as December Opens

An average advance of more than five points was the net result of trading in Chinese government bonds for the first week of December, as Messrs. S. D. Wang and Company in its bond market report for the past week ending Dec. 6.

An examination of the week's record reveals that Disbandment bonds held their advance most steadily; after rising to 6.50 points they settled to a net gain of 6.05 to lead all other issues. A maximum rise of 8.50 points was credited to 20th Year Customs, but the final result was 5.95 points above the bottom established on Novomber 24th. All other issues moved between 7.00 and 8.10 points with net advances between 3.80 and 5.95 points. Eighteenth Year Customs was traded in for the first time in many days when the opening quotation on it was made at 33.50 in the first session of December 4th. It closed at 34.40.

Japan's Foreign Trade During November Shows Unfavorable Balance

The following trade figures on Japan's foreign trade during the month of November were published by the Japanese Finance Office at Tokyo on Dec. 4, as carried by the *Rengo* Service:

Export, Yen 77,037,000
Import, Yen 81,017,000
Total, Yen 158,054,000

Excess in Import Yen 3,980,000

Summarizing the totals since January this year, the figures stand:

Export, Yen 1.064,196,000
Import, Yen 1,124,080,000

Unfavorable balance, Yen 59,884,000.

Nanking Plans Development of Cod Liver Oil Industry

In view of the fact that China annually imports huge quantities of cod liver oil from foreign countries entailing an amount of several hundred thousands of dollars, the Ministry of Industries has formulated plans for the manufacture of the oil in China with native cod fish to supply the domestic demands.

In a recent order to the testing bureau of commercial commodities in Tsingtao, the ministry instructs that measures should be adopted by the responsible officers to send out technical experts to the sea coast there for the purpose of investigating this raw material. It is also pointed out that the oil obtained from the fish should be manufactured into a crude form to be sent back to the ministry for scientific testing before a final process of manufacture is fixed.

Seven Issues of Chinese Government Bonds Drawn Here Last Week

The drawing of seven issues of the Chinese government bonds for redemption of capital, totalling $8,740,000, was held on Dec. 2. at the Shanghai Bankers' Association. The drawing was supervised by Mr. Loy Chang, director of public bond department of the Ministry of Finance and witnessed by representatives of Chamber of Commerce and leading banks. Following is list of names of bond issues, the drawing numbers and the amount to be paid:

1. The Seventh Year 6% Loan: the drawn numbers being Nos. 2, 14, 44, 53, and 83, involving the payment of $2,250,000 for capital redemption. This is the 8th payment.
2. The Treasury Bills secured on the Austrian share of the boxer indemnity funds the drawn numbers being Nos. 9, 14, 39, 63, and 71, amounting to $120,000.
3. The Military requisition Bonds, the drawn numbers being Nos. 13, 21, 51, 63, and 79, amounting ta $500,000, for capital repayment. This is the 6th redemption.
4. The Rehabilitation Short Term Loans, the drawn numbers being Nos. 4, 12, 25, 39, 45, 70, 75, 81, and 93, amounting to $4,000,000. This is the 7th repayment.
5. The 18th Year Famine Relief Bonds, the numbers drawn being Nos. 12, 41, 54, 62, and 79, amounting to $500,000. This is the 7th amortization.
6. The 19th Year Customs Revenue Bonds, Nos. 16, 28, 47, 56, and 87, being drawn and amounting to $1,000, 000. This is the 4th repayment.
7. The Electric Enterprise Bonds, amounting to the total of $371, 650. The drawn numbers of the long term bonds are: 8, 53, 72, 81, while the numbers of the short term issues drawn are: 7, 19, 24, 33, 54, 67, 79.

Dyeing Industry Prospers in Tientsin, 19 Works in Full Operation

Nineteen dyeing establishments are now operating in Tientsin making that city the center of the dyeing industry in north China, according to the *Chinese Economic Bulletin*. This work has increased in volume in late years as a result of the prosperity which has visited the wool rug manufacturing trade.

Of these establishments the Pai Hai Hsing Kee is the most progressive. Its annual output is about 120,000 catties of dyed wool, states the Bulletin. Another leading dyeworks is the Tung Sheng Ta, which has an annual output of about 144,000 catties of dyed wool. This company represents a smaller capital investment than the older concern.

Wool dyeing, states the Bulletin, is a simple process. The material is first scoured in caustic-soda solution, and after being immersed for some time is thoroughly rinsed in clean water, and dipped in the dye-vat as many times as is necessary to secure the required shade. The dyestuffs are mostly imported from Germany and the United States,

Cotton dyeing is a specialty process pursued by a number of concerns, among which Yung Chong Heng turns out 384,000 pounds of dyed cotton yarn a year.

Cotton goods are scoured by being dipped in a jar containing soda-ash solution, and left standing for several days. The material is then transferred to a dye vat and immersed for several minutes before the dye liquid is wrung out. The dyed goods are then dried in the open air.

Five other concerns with smaller capital and employing fewer workers also are concerned in the cotton dyeing industry.

Central Bank Reserves Checked and Found in Order by Supervisors

Following is the announcemont of the 109th examination of cash reserves held hy the Central Bank of China against its note issue in circulation, as issued by the Supervisory Committee of the institution:

Total Amount Of Dollars Notes and Subsidiary Coin Notes in Circulation:

Dollar Notes	$30,947,712.00
Subsidiary Coin Notes	$ 2,669,212.00
	$33,616,294.00

Reserves Against Dollar Notes and Subsidiary coin Notes in Circulation:

Cash Reserve	423,124,404.00

(Of the above sum $17,398,958.00 is kept in Shanghai Office, the balance $2,088,228.00 is kept in Branches and Sub-branches, $3,637,218.00 is kept in Local Banks.)

Securities Reserve	$10,492,520.00

Total Amount of Custom Gold Unit Notes in Circulation:

C. G. U. Notes	C.G.U. 500,000.00

Reserves against custom gold unit in Circulation:

G$200,000,00 deposited with Local Bank @ 40	C.G.U. 500,000.00

According to Article 2 of the Bank's regulation governing note issue the Bank is requiring in keep Cash Reserve @ 60% and Securities Reserve @ 40% of the total issue, the Committee found that the Cash Reserve to exceed 60% and the Securities Reserve not over 40%. and certified that the reserve against notes in circulation is in order.

Japanese Cotton Mills Continue Operations Despite Boycott

Following a discussion among the Shanghai cotton mill owners with Ayazo Takei, president of Naigai Wata Kaisha and chairman of the Japanese Mill-Owners' Association in China, who came over from Japan last week on a brief tour, it has been tentatively agreed among the Japanese mill operators in Shanghai to continue.

The Japanese cotton mill operators feel that while considerable time will be required for the final solution of various pending questions between China and Japan, the Japanese cotton manufacturing firms are in a position to dispose of their stock in some way or other. Consequently, they have agreed to leave the question of decreased output to individual factories.

WARRANTY.

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New Books of Interest in the Far East

A Fantasy in an Oriental Setting

The Books of the Emperor Wu Ti. by Walter Meckauer translated from the German by J. J. Saville Garner; Milton, Balch and Company, New York, 1931. 215 pages.

This novel is a fantasy in an Oriental setting. The author has so closely approached the mysticism of the East that at times one might think this was all a tale based on more or less accurate historical knowledge. However, we find it purely fictitious and allegorical, with the life-long desire of the old merchant to live to great age and honor somewhat justified by his abiliy to realize the temptations of Death. "And the demon drew back and Shu Yee saw that it was Death, seeking to tempt him with clever persuasion. And he recognized that Death wears many masks, thirst for honor, and love and jealousy and revenge and ruin and disease and poison, crime and ribald society, and that its last mask is honorable suicide. After realizing this, Shu Yee went to a fish-pond and ate the roots of long life, growing there. And he remained free from senile weakness and continued his wandering, traversing by many a devious path the Flowery Land."

Thus Shu Yee, the erstwhile Nanking merchant who desired health. age and knowledge, becomes a sort of Wandering Jew. His life had been in parts like that of Job, the Jewish patriarch, and his children scorned his search for wisdom and long life. Several of them appear in the story to accuse him. One says, "Fear it is that makes one do these things, not wisdom! Why did our father consecrate a temple to the Goddess of Health by the Poyang Lake, and why did he build his house in the street of Fivefold Health? Why has he been seeking his whole life long for the books of the Emperor Wu Ti? Because it was comfort he was seeking, not knowledge. Because he desired a long life, but was not prepared to secure it by his own efforts. Because he feared for his health and because what he calls peace of mind and harmony of the soul is really terror of the unknown, cowardice to face the world and despicable sluggishness."

In spite of the opposition of his children Shu Yee lives on, and his search for the famous books of the renowned man of learning does not end with his discovery of the tomb wherein they were buried.

This is a most unusual book. The allegory is principally one of youth and old age, and in this phase, is applicable anywhere. It is remarkable that it should have been produced by a young writer. It won the great German literary award, the Jugend Prize, for its author.

There are numerous slips, mostly in translation, we feel sure, for they are chiefly with Chinese names and titles. As example, we find "Kanton", instead of "Canton". And as to what a "Kwonghip" is we admit total ignorance, though the author writes easily of them. We presume the title of "Mandarin" would have served his purpose just as well. With some of these lapses corrected the book would bring more appeal to readers who know the Orient.

December 5, 1931. G. B. S.

American History with a "Punch"

The Epic of America, by James Truslow Adams. Boston: Little, Brown, and Company, 1931. 433 pp. with 17 illustrations (woodcuts.)

This is history with a "punch." The wonderful story of how the pioneers conquered a continent is told in vivid detail—in addition to which there is a "debunking" background that sets many a misconception right. For example, the point is brought out that many of the revered statements of the Declaration of Independence have gone into the discard. The time-honored, ringing phrase in the Declaration about "government deriving its power from the just consent of the governed," has, in actual practice been violated by the American government itself. To begin with the fact that there was a large slave population in existence when that Declaration was made, some of the slaves being owned by the men who signed the Declaration, was in itself an incongruity. Then also take the attitude of the North against the South in the Civil War. Lincoln, by expressly stating that the South was being coerced, not because he hoped thereby to free the slaves but because he intended to keep the Southern States in the Union, laid himself open to the charge that he was breaking this vital precept of the Declaration. The South contained 5,000,000 whites and 3,000,000 blacks and the announced policy of the North was to govern them without their "just consent." But the outstanding violation of the Declaration was when America annexed the Philippines. Here were 10,000,000 people of an alien race forcibly brought under American jursidiction, the phrase in the Declaration about the "just consent of the governed" being conveniently lost sight of. The author mentions that the United States paid about two dollars apiece for each Filipino—G$20,000,000 in all.

Much was heard at the beginning of the Twentieth Century about "The Constitution Following the Flag." The problem was duly passed on to the Supreme Court and it was found, as Mr. Dooley said, that "no matter whether the Constitution follows the flag or not, the Supreme Court follows the 'illiction' returns." By a decision of five to four, even the five disagreeing among themselves as to the reasoning by which they had arrived at their partial unanimity, it was decided that "Porto Rico is a territory appurtenant to—but not a part of—the United States." So that was that.

Roosevelt's "taking" of the Panama Canal is among the subjects dealt with, the final result being, as the author points out, that in the end the United States paid Columbia much more than Roosevelt originally could have got it for "honestly."

This is how the author "sizes up" conditions in America to-day:—"Just as long as wealth and power are our sole badges of success so long will ambitious men strive to attain them. The propsect is discouraging today, but not hopeless. As we compare America in 1931 with the America of 1912 it seems as though we had slipped a long way backwards. But that period is short, after all, and the whole world has been going through the fires of Hell. There are not a few signs of promise now in the sky, signs that the people themselves are beginning once again to crave something more than is vouchsafed to them in the toils and toys of the mass-production age. They are beginning to realize that, because a man is born with a particular knack for gathering vast aggregates of money and power for himself, he may not on that account be the wisest leader to follow nor the best fitted to propound a sane philosophy of life. We have a long and arduous road to travel if we are to realize our American dream in the life of our nation, but if we fail, there is nothing left but the old eternal round. The alternative is the failure of self-government, the failure of the common man to rise to full stature, the failure of all that the American dream has held of hope and promise for mankind."

G. W. M.

Excellent Manual for Learning Chinese

Practical Chinese, including a topical dictionary of 5,000 every day terms, by Harry S. Aldrich, First Lieutenant, U. S. A. Peiping: Henry Veitch (The French Bookstore).

This is an excellent text book for English-speaking foreigners who wish to learn the Chinese language. The author is Chinese Language Officer at the American Legation at Peiping. A foreword by Nelson T. Johnson, the American Minister, states that Lieutentant Aldrich "has made a distinct contribution to the textbook literature for the study of the Chinese language in the discussion of tones and rhythm in spoken Chinese." The author has made a point in his explanations on pronunciation to distinguish *accent* from *emphasis*. He also emphasizes the relationship of *emphasis* and *accent* to *tones*. Learning of the accent has been facilitated in the selection of type. This instruction book has the merit which many others do not of leading along the student by a natural method and then having him drilled in exercises which will be useful to him in every-day life. There are, for instance, lessons dealing with meeting friends, travelling by train, shipping parcels, posting letters, looking for a cook, having a haircut, renting a house, moving, dinner guests, meeting bandits, going to a temple, drawing up a contract, making a trip, reporting a burglary, dealing with a labor strike, and so on. The work is in two volumes, volume one containing 347 pages, and volume two, 225 pages in English numeration, and 80 pages in Chinese numeration. It is an excellent work all round, only slightly marred by a number of typographical errors—which are almost impossible to avoid in a book printed, as this is, in China.

G. W. M.

The Journal of the Royal Asiatic Society

The current number of the *Journal* of the North China Branch of the Royal Asiatic Society (Vol. LXII—1931) is up to the usual high standard. The partial list of contents given below will show the wide range of subjects covered:

Early Days of Western Medicine in China, by Dr. Wu Lien-teh; Climatic Changes During Historic Times in China, by Coching Chu; Bamboos in China, by W. M. Porterfield; Preliminary Notes on the National History of Nanking, by Dr. C. Ping; The History of the Days of the Week, by Herbert Chatley, D. Sc. (Lond); Contributions from the Herbarium of the Shantung Christian University, by Arthur Paul Jacot; Chinese Pottery and Porcelain: An Appreciation, by R. D. Abraham; Chinese-Moslem Chronology, by Isaac Mason; The Indian Frontier, by Edwin Haward; The Chinese Nation and the Doctrine of the Golden Mean, by Tsai Yuen-pei; The Western Transcription of Chinese, by Charles S. Gardner; Confucianism, Democracy and Nationalism, by Yen-ying Lu, M. A.; the Cosmic Spirit, by Dr. Evan Morgan; The Asiatic Origin of South American Man, by J. J. Gapanovich; and Passing of the R.A.S. Old Premisses at Shanghai, by Isaac Mason.

An Economic Survey of Australia

The *Annals* of the American Academy of Political and Social Science for November are devoted to an economic survey of Australia. Among the most interesting facts disclosed is that various export articles are delivered abroad cheaper than they can be bought locally. Butter is an outstanding example. The difference between the price of butter laid down in London and the local Australian price amounts to about five gold cents, in London's favor.

American Silver Producers Announce Steps for an Export Sales Pact with India

Silas Strawn, President of the United States Chamber of Commerce, announced at Seattle, Washington. Dec. 5, plans for an export sales agreement between American silver producers and the Government of India to increase the price of silver. Mr. Strawn told the western division convention of the Chamber that plans had been worked out by experts of the committee of the International Chamber of Commerce and would be submitted to the International Chamber Council when it meets on March 1 in Paris. He intimated that he expected favorable action to be taken in Paris with agreement by American silver men and the Government of India also.

The committee's recommendations include: First, that American producers and refiners enter into an export sales agreement with the Government of India. Other substantial producers would naturally be welcomed into an agreement, while the importance of bringing the Bank of Spain and kindred institutions into the deliberations should not be lost sight of; second, if it is true that a scarcity of gold is to be expected, it would not be impossible to alleviate the scarcity, to a certain extent, by the use of silver.

Senator Pittman has announced that an agreement between silver producers and the Government of India for stabilizing the price of silver "is impossible of accomplishment."

READERS of *The China Weekly Review who* may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*...If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai.,

Conversion to the Automatic System . . .

OPENING OF MONTIGNY, THE FOURTH NEW AUTOMATIC EXCHANGE

MONTIGNY Exchange, to serve numbers beginning with 8, is to be brought into operation shortly after midnight on the 12th.

Please be sure to consult the Telephone Directory of December 1931, as there will be many changed numbers. Particular attention is drawn to the change of numbers of many very busy firms. If you have not yet received your Directory, call 11400 at once and ask for Directory Office.

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Men and Events

Tong Teh-ming has estabiished the *Ching Hwa* News Agency at 130 Chiaoting Road, Shanghai.

Dr. Sherwood Eddy will address the China Institute of Scientific Management on Saturday, December 12 at 12:15 o'clock at the Union Club, Shanghai.

The death occurred December 6, at the age of 61, of George Dallas, a local pioneer real estate, racing and livestock man. The late Mr. Dallas was born in Shanghai.

Mahlon Perkins, counsellor of the American Legation in Peiping, and Mrs. Perkins, who had been in the United States on a long holiday, has returned and resumed his duties.

The League of Nations has worked out a Manchurian program which appears to be acceptable to everybody, except China and Japan, and possibly Russia.—*Manila Bulletin.*

The 72nd U. S. Congress assembled at Washington, D. C., Monday, December 7, with the Democrats controlling the House by a bare majority and the Senate in control of the Republicans.

Five Chinese merchants are being detained by the Anti-Japanese and National Salvation Association at the Chapei and Nantao Detection offices, being accused of handling Japanese goods.

Dr. Hwang Wen, who holds a British medical degree, is establishing a new hospital at Greater Western Road in Shanghai. The ceremony of laying the cornerstone of the new hospital took place December 6.

The death occurred at the Shanghai Isolation Hospital December 7 of Bert Cann, motion picture photographer employed by the Unique Studios in filming Chinese talking pictures. Death was due to small-pox.

Chiang Fang-chen, former president of the Military Training Institute, who has been detained at Nanking for the last year, was released last week upon recommendation of General Chen Ming-shu, and has in the meantime returned to Shanghai.

A movement is on foot to force the transfer of control of the Shanghai Electric Construction Co. (Shanghai street car company) from London to Shanghai. The International Investment Trust Co. Ltd. of China is interested in the proposition.

T. P. Givens, assistant commissioner of the Shanghai Foreign Police, and R. C. Aiers and R. M. J. Martin, two other officials of the local foreign police force, have had conferred on them the first class A medal of the Chinese National Military, Naval and Air Forces.

The new German Church building on Avenue Haig, Shanghai, is rapidly approaching completion. Since the demolition of the old building opposite the Astor House, the pastor, Ewald Krueger, has been conducting services at the Kaiser Wilhelm Schule, Great Western Road.

The Chinese employees of the packing department of the Japanese-owned Dong Shing Cotton Mill in Shanghai, some 40 in number, have agreed to a reduction of 20 per cent in their wages during the continuance of the trade depression due to the boycott enforced by the Chinese.

Z. L. Chang, newly-appointed director of the Intelligence Bureau of the Ministry of Foreign Affairs, was in Shanghai during the week arranging with U. Y. Yen of the Shanghai Office of the Foreign Ministry for the transfer of the Intelligence Bureau from Nanking to Shanghai.

The majority of the newspaper correspondents, whose usual headuqarters are in Shanghai and who proceeded to Manchuria several weeks ago have returned, among them being: Reginald Sweetland, *Chicago Daily News;* F. P. Oliver, *Reuters;* and Edgar Snow, *Consolidated Press.*

Among the contributors to the Christmas issue of the *North China Daily News* is Edgar Snow, correspondent in China for the Consolidated Press, who recently returned from a trip through various countries in southern Asia. The subject of Mr. Snow's contribution is, "Once Royal Mandalay—Burma's Forbidden City."

Ling Ping Yi, wealthy gold bar broker residing in Quinsan Road, Shanghai, was kidnapped by armed men in the Hongkew District early on the night of December 8 as he was about to enter his house when returning from business. He was carried off in a car which was later found abandoned in an alley off Peking Road in the Central District.

One of the comedies of Shanghai daily newspaper reporting is the persistence with which *The China Press* regularly declares that it was *Arthur* Sopher that the nine Russians—who have heen brought up at the Shanghai District Court on numerous occasions during the past several months—tried to kidnap. All the other papers in their reports of the proceedings say it was his brother *Theodore.* Arthur Sopher was the managing director of *The China Press* until its sale to Chinese interesta about a year ago.

In the United States Court for China

In re. Estate of CARMEN ROLKER Deceased

Cause No. 3337

Special Proceedings No. 747

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Carmen Rolker deceased, to present the same with vouchers to the undersigned on or before June 1, 1931, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China. (Mrs.) Alice Herlofson

November 18, 1931. 614 Rue Lafayette

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定價每本小洋四角與申一例

南京下關

汪宸記報社

電話四一八一二

Who's Who in China

H. O. Tong, government official; born at Canton, Kwangtung; after receving his preliminary education at the Shanghai Baptist College (now University of Shanghai); he went to England and studied at the London University graduating with B.Sc. degree; upon return to China, he joined the National Government at Canton to organise the Commission of Industry and later was appointed commissioner for Prevention of Smuggling and director-general of Wine and Tobacco Revenue Bureau; when the Nationalist Government was removed to Wuhan, he was appointed director-general of the Stamp Revenue Department and director of Department for Prevention of Smuggling; later, he was made chairman of the Administrative Council and concurrently Commissioner of Police of Special District No. 3 at Hankow, in which capacity he won reputation as an efficient administrator; upon establishment of National Government at Nanking, he was again appointed director-general of Department for Prevention of Smuggling and concurrently director of the Kiangsu Bureau for Prevention of Smuggling; appointed private secretary to Minister of Finance T. V. Soong and concurrently superintendent of Customs at Huaian; transferred as Superintendent of Customs at Chinkiang; now superintendent of Customs at Shanghai: address: Superintendent's Office, Shanghai Customs, Shanghai.

唐海安
H. O. Tong (Tang Hai-an)

唐海安丶廣東人丶畢業於滬江大學丶後留學英國丶入倫敦大學丶得科學學士位丶回國後丶即服務於廣州國民政府丶組織實業廳丶繼任緝私處處長丶及烟酒稅處處長丶國民政府遷往武漢時，任印花稅處處長及緝私處處長丶旋任漢口第三特別區管理處處長及警務司司長丶會國民政府遷南京丶復任緝私處處長，繼任財政部秘書並淮安關監督丶旋調任鎮江關監督丶現任上海江海關監督

Dr. Sze Suggests International Control of Tientsin

Dr. Alfred Sze, Chief of the Chinese delegation to the League of Nations, sprang a surprise upon the members of the Council of the League of Nations at Paris December 2. He had been summoned to attend the meeting of the Council in order that his views might be heard on the question of the establishment of the neutral zone at Chinchow. After this subject had been under discussion for some time, Dr. Sze put forward a proposal that an International Commission should take over the administration of Tientsin. Outlining his scheme, he said that the Chinese Government was fully prepared to place at the disposal of the Commission between 500 and 1,000 of the best Chinese troops, whose reliability could be guaranteed. The troops, he suggested, might be placed under the direct orders of any foreign officers who were appointed by the League and would provide a sufficient force for the maintenance of law and order. The members of the League Council were undoubtedly interested in the proposal. They would not discuss it in detail, however, as it was regarded as being outside of their orbit at the present juncture.

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WHY NOT COME AND TRY?

59-079

The CHINESE NATION

Contents of Vol. II, No. 26

December 9, 1931.

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The Crucial Issue in Manchuria

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The Neutral Zone

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Soviets Press C.E.R. Demands

(From The Review's Correspondent)

Harbin, November 26, 1931.

There are rumors that the Moscow government has prepared a new agreement with China concerning the C.E.R. Moscow wants to "use" the present difficult position of China and hopes to put into force the demands that it had long ago contemplated.

Moscow proposes: To dismiss all the White Russians who have Chinese passports now serving on the Railway; to send away from Manchuria fifty active emigrants; to acknowledge the right of existence of the professional unions; to give the Soviet organizations the right to arrange meetings and publish papers; to organise special duties for Soviet goods; and to recognise the independence of Barga.

A Bandit Victim Returns from Captivity

The well-known shopkeeper, Mr. Tarassenko, recently returned to Harbin from bandit captivity. He was kidnapped in the streets of Harbin in the begining of November; he struggled against the gang and though there were six of them it was difficult for them to get him into the motorcar which was ready to carry him off. One of the bandits fired and severely wounded Mr. Tarassenko. The bullet was extracted after the surgeons had made an X-ray of the wounded man's breast. It appears that Mr. Tarassenko had passed several days at the bandits' camp without his wound being dressed. It is considered strange that the bandits, whose object was to extract ransom from his wife, should have done such a rash thing as to wound their victim. The ransom demanded by the bandits at first was Yen 75,000. They eventually released him on receiving Yen 5,700.

Soviet Government Holds Children as Hostages

So many Soviet employees of the Soviet Government prefer to stay in foreign lands instead of returning to U.S.S.R. after serving abroad that new measures have been formulated to make them return. Children of Soviet employees are being kept as hostages. They will be obliged to stay in Moscow and receive their education in special schools. "The life abroad will not spoil the communistic spirit of these youths and the Government will keep in this way some of the money belonging to the salaries of the Soviet employees abroad," is what the Soviets say.

Wreck on the C.E.R. Kills Two

A wreck took place on the C.E.R. on Nov. 23 at 8 p.m. when two freight trains collided in the vicinity of station Ertsentsiantsi. Six people induding the conductors of both trains, Russians, were severely injured. Two young men, also Russian, were killed.

Dr. C. C. Wu's Sensible Long-Range View

(Editorial in the Shanghai Evening Post)

Speaking before the Hongkong Rotary Club last Tuesday, Dr. C. C. Wu, former Chinese Minister to the United States, delivered himself of sentiments which he admitted will not find favor with "the ultra-patriots in China or the jingoes in Japan." But we believe they will find great favor with others—who make up the majority in both countries.

Dr. Wu said that inasmuch as the exercise of political power in Manchuria by Japan is intolerable to the Chinese people, such power should be gradually relinquished.

Certain Japanese will not approve such a view because they feel Japan should rule Manchuria. Certain Chinese will not approve it because they want Japan to be swept out of Manchuria with a stiff broom. Dr. Wu spoke practically and moderately. Score one for Dr. Wu.

He further said that China should fully recognize Japan's economic interests and even encourage them. Chinese of the super-patriotic order will feel Japan is so out for selfish interests, and so completely harmful to China, that such an attitude is not sound. Japanese of the jingo type resent the idea of trade cooperation between Japan and China; they want Japan to be an avowed exploiter of what they consider an inferior people. Neither view is sound or realistic; score two for Dr. Wu.

A solution of the whole problem must be found on moderate lines if Manchuria is not to become the Alsace-Lorraine of the Far East, said Dr. Wu. And we chalk up a third hit in his favor.

Dr. Wu's tolerant long-range views are not only refreshing but eminently sensible. The heat of argument over immediate problems should not blind us to the ultimate ideas in this great Manchurian problem.

How an Italian Sees Britain and U. S. A.

Carlos Bos, a prominent Italian resident of Shanghai, made a witty address before the Shanghai Rotary Club November 29 on the subject "John Bull, as I see him, Signor Bos is a past president of the Rotary Club. He was introduced by Dr. Fong Sec, the chairman. His address was a "follow up" to one delivered in September last year on his impressions of humanity as a whole. The following are summarized extracts from his remarks:

"I do not expect you to agree entirely with my opinion of John Bull. You might even object that, having never lived in England, I cannot know the real Englishman. But I have it on good authority that, as the Greeks gave glory to Greece, and not Greece to Greeks so the Englishman made England and not England the English. I have been in contact with the English in China for the past 30 years, working with them both as a subordinate and as a superior. I have enjoyed their company and sometimes have observed them in times of peace and prosperity and seen them in times when their own lives and their families were in danger.

"America is a glorious country; it has the biggest, fastest and greatest of everything. Her men are bigger, longer and thicker, they can fight harder and faster and can drink more mean whisky than the men of any other nation. This is plain to everyone, for the Americans say so themselves and besides I have seen it in print. This being so, I really ought to speak first of the Americans but I have never been there, although I intend to visit 'God's Country' later. The English are next, who in their own way, but less noisily, claim to be top dogs among the races and nations.

Signor Bos here quoted a number of views expressed by celebrated Germans, Frenchmen, Englishmen, and Scotsmen, who although they started by criticising the English generally wound up by a paeon of praise, that if the English took any notice at all, it would only be to blush at the unsought compliments. For instance Count Keyserling, after reciting the good and bad points of John Bull, says—"The superiority of the Englishman over the other peoples of Europe, cannot at present be reasonably contested. They alone are really perfect and to perfection everyone bows the knee."

"As regards the British Empire, which occupies one-fourth of the total world's land area and population, how has this surprising and unique collections of kingdoms, colonies and mandates been accumulated? "I have often heard and read that as an administrator or governor, the Englishman is a frightful muddler. My own experience is that he seldom or never foresees or forestalls events, but lets them happen and them deals with them and he is a master in dealing with emergencies. The British are born collectors not of postage stamps, snuff boxes, etc., but of territories. As colonisers 'John Bull' deserves the unstinted praise of the world. That spirit which lies deep down in the crystal depths of English mentality and is so difficult to define: that intangible something which makes of him a master in the art of handling human material is clearly evident in his administration and control of the Empire. Englishmen's aggressive curiosity and love of adventure, urged them in the course of centuries from their tiny island to all corners of the earth and even the most rabid enemy of British Imperialism cannot deny that wherever John Bull went he made three blades of grass grow where there was only one."

Latest New York Stock Exchange Quotations

Market: Weal. **Business Done** 1,600,000 **Shares**
December 9

1930-1931 High	Low	Div.$ perSh.	STOCKS	Mon. Dec. 7	Tues. Dec. 8
23½	4⅝	1.00	Adams Express	4⅞	4¾
182¾	68	*6.00	Allied Chemical & Dye	75½	72¾
42¾	14	1.00	Allis Chalmers	Unq.	15
129¾	62⅞	4.00	American Can	64¾	62⅛
51¾	8⅞	—	American &ForeignPower	9½	9
31½	4⅜	—	American& For. Power W.	5⅜	5
58½	19¾	1 50	American Smelting	23¼	21⅛
201¾	121⅛	9.00	American Tel. & Tel.	129½	126¼
132¾	74¾	*5.00	American Tobacco "B"	82¼	78¼
80¾	22	3.00	American Waterworks	33	30½
43¼	12	—	Anaconda Copper	13½	12¼
87⅞	23	4.00	Baltimore & Ohio	24	22½
70⅜	23½	2.00	Bethlehem Steel	26¼	25
76½	37	*3.00	Borden Company	43½	39¾
20¾	9¾	1.00	Borg Warner	11¾	12
45¾	11	1.25	Canadian Pacific Railway	14¼	13⅝
131½	33¼	—	Case J. I.	41½	38⅝
54⅛	14¼	3.00	Chesapeake Corp	22¼	19½
25¾	11¾	1.00	Chrysler	15⅛	14½
20¾	5¼	*.30	Cities Service, Co.	6⅝	Mutl.
45⅝	16⅝	1.50	Columbia Gas & Electric	19⅝	19⅛
12	1½	.30	Commonwealth &Southern	4⅛	4⅛
2¾	⅜	—	" warr.	¾	⅝
109⅝	61	4.00	Consolidated Gas. of N. Y.	67⅞	66⅜
12	5	—	Continental Oil	6¾	6½
86⅝	36¼	3.00	Corn Products	46¼	44
3⅞	1½	—	Curtiss Wright Co.	1½	1½
78¾	42¾	1.00	Drug Incorporated	55	52¾
107	53½	4.00	Du Pont de Nemours	57⅛	54½
185¾	91¼	*5.00	Eastman Kodak	95	90⅜
61	14¾	6% S	Electric Bond & Share	15¾	14⅞
38⅜	3¾	—	Fox Film "A"	4	3⅞
54¾	24⅜	1.60	General Electric	27⅞	26¾
56	30¼	3.00	General Foods	36⅛	34⅞
48	22⅛	3.00	General Motors	24⅛	23⅛
84⅛	23	5.00	General Railway Signal	27⅞	28
58¾	9½	—	Gillette	13¾	13⅝
42½	18	2.50	Gold Dust	18½	17½
20⅞	5	—	Goodrich Rubber	5⅜	5⅛
52¾	16	3.00	Goodyear Tire & Rubber	18½	18¾
22⅝	5¾	1.00	Granby	Unq.	6¾
62½	17	4.00	International Cement	Unq.	22⅝
4	⅝	—	International Combu. Eng.	⅝	⅝
60½	22½	2.50	International Harvester	27⅞	26⅛
20⅛	7⅝	.20	International Nickel	8½	8¼
38¾	10⅝	1.00	International Tel.& Tel.	11⅜	10⅞
80¾	19	3.00	Johns Manville	19¾	19⅜
31½	10¼	1.00	Kennecott	11⅞	11¼
27¾	4⅞	1.61	Kreuger & Toll	5½	5⅛
91	40	*4.00	Liggett & Myers, "B"	51½	51
63½	27⅝	3.00	Loew's: Inc	35	33¾
21⅞	10	—	Lorillard P. Co. (com.)	15¼	15
19	5⅛	—	Ludlum Steel	6¼	6¼
29¼	8⅝	—	Montgomery Ward	9½	8¾
40⅞	15⅛	2.00	Nash Motors	17¼	16⅝
14¾	5	.80	Nevada Consolidated Co.	5¾	5⅝
132¼	28⅛	4.00	New York Central	31⅜	27⅛
11	3½	—	North American Aviation	3⅝	3½
54⅞	29⅝	2.00	Pacific Gas & Electric	36	35⅜
11⅞	4	.40	Packard Motors	4⅝	4½
50¼	9	10%S	Paramount—Publix Corp	9⅝	9
64	22	2 00	Pennsylvania Railroad	22⅝	22
8½	2⅝	.40	Pennroad Corporation	2⅞	2¾
16⅝	4¾	—	Phillips Petroleum	6	6
96	51⅞	3.40	Public Service of N. Jersey	61¼	60
27½	5⅜	—	Radio Corporation	6⅜	5⅞
24½	1⅛	—	Radio-Keith Orpheum	1¾	1½
54½	35½	3.00	Reynolds Tobacco "B"	36⅝	36
63¼	31	*2.50	Sears Roebuck	38¼	36½
10¼	3¼	—	Shell Union	4⅛	4
23⅜	8½	—	Simmons Company	9¾	9⅝
26½	10⅞	1.00	Socony-Vacuum Corp.	11	11
54½	28⅝	2.00	SouthernCaliforniaEdison	33	32½
88⅜	29¼	3.50	Standard Gas & Electric	35½	32⅝
53½	28¼	*1.00	Standard Oil of N. Jersey	30¾	31
36¼	15	2.00	Texas Corporation	16¼	16
58¾	20⅜	3.00	Texas Gulf Sulphur	25½	24½
18	3⅛		Trans America	3⅛	3⅛
72	27½	2.60	Union Carbide & Carbon	33¾	32
205⅛	78	10.00	Union Pacific Railway	81	78¾
38⅞	12	—	United Aircraft & Transp't	13¾	12¾
31	10½	.75	United Corporation	11¼	10⅞
37½	19⅝	1.20	United Gas Improvement	21⅞	21⅝
20⅜	4⅜	—	U.S. Rubber	4¾	4¾
152⅜	51⅜	4.00	U.S. Steel	53¼	51⅛
76¾	13¼	—	Vanadium	16½	15¼
20⅜	2⅞	—	Warner Bros. Pictures	3¼	3
107¾	30½	2.50	Westinghouse E. & M.	32¼	30⅜
72⅝	42½	2.40	Woolworth	46	44⅞
*plus extras			Call Money	2½ %	2½ %

SWAN, CULBERTSON & FRITZ

Swan Culbertson & Fritz

Investment Securities—Local & Foreign

Safe Deposit Facilities

New York stock quotations received daily

Sassoon House Telchones 11200 (4 lines)

Exchange Circular for the week ending Wednesday, 2nd December, 1931.

The very grave situation which had arisen so swiftly in Sino Japanese affairs in Manchuria and North China has eased somewhat since our last, and it is to be hoped that actul further hosilities may cease, and the way be opened for agreements to establish order

The market this week has been erratic and towards the end exchange rates for sterling were lifted considerably by the fall in the London/New York Cross rate, The oversold position is mostly in Gold Dollars, but at present we cannot estimate the amount.

The Lonndon/New York Cross rate has fallen from 3 65 to 3.29⅞, and speculative action has further upheld silver and exchange. The Japan Cross rate has been steady and closes at 49.60.

Silver:—Opened on the 20th ult. at 18 7/16d spot and 18⅝d forward, and U.S. $o 29¾. Today closes at 19⅛d. spot, 19⅛d. forward, and U.S. $ o.28⅞. India has been a small buyer: America has been selling: offerings have been small. The market, controlled by speculators, has been erratic and uncertain.

Exchange:—The official T/T rate on London on the 26th ult was 1/8⅞d: raised next day to 1/9d: on the 28th ult. to 1/9⅛d: on the 30th ult lowered to 1/9⅛d: on the 1st inst raised to 1/9⅜d and today to 1/10⅛d.

Our Stocks of Silver are reported as follows:—

Sycee and Bar Silver ... ... Tls. 59 588,000 a decrease of Tls. 510,000
Chineese and Mexican Dollars $ 185,870,000 a decrease of $ 200,000
Estimated value Tls. 193,414,000 as against Tls. 215,848,000 held at this time last year

†	Average rates for Nov.	Thursday Nov. 26	Friday Nov 27	Saturday Nov. 28	Monday Nov. 30	Tuesday Dec. 1	Wed. Dec. 2
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T on London	1/9 245	1/8¾	1/9	1/9¾	1/9¼	1/9¾	1/10½
D/Dfts ,,	–	1/8¾	1/9	1/9¾	1/9¼	1/9¾	1/10½
4 m/s ,,	—	1/8 15/16	1/9 1/16	1/9 15/16	1/9 15/16	1/9 13/16	1/10 7/16
T/T on India	116,700	114	1 6	120	117	120	124
T/T on France	842,720	799	801	822	798	786	794
T/T on N.Y.	32,960	31¾	31¼	32	31	30⅝	31
T/T on Demand		31¼	31¼	32	31	30⅝	31
T/T on Hamburg R. M.		131	132	135	131	129	130
T/T on H'kong	76 5 175	76 1/16 nom	76 1/8 nom	76 1/16 nom.	76 1/16 nom	76 1/16 nom.	76 1/16 nom
T/T on Japan	149 930	158¾	158	154½	159	162	
T/T on Batavia	82.350	79	78¾	81	79	76	160
T/T on Straits	133 040	136	134	129	132	129	76½ 125
Bk's buying rates							
4 m/s B/L. Cred &D/A	1/10 805						
4m/s B/L D/P	—						
6m/s ,, B/L Cre'&D/A							
4m/s B/L Cred D/A or D/P							
4m/s N.Y.Lc							
4m/s ,, Docs	—						

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Nov. 26	Nov. 27	Nov. 28	Nov 30	Dec 1	Dec. 2
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence						
**New York Price of Bar Silver per oz. (Pure)	18 7/16	18 9/16	19⅛	19⅛	18 15/16	19¼
Shanghai Price of Gold Bars (weight Tls, 10 (Chauping) 978 touch)	G.$ 29¾	Holiday	G.$.29⅝	G.$.29⅜	G.$.28⅜	G.$ 28½
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch) ....Nominal	Tls. 671.70	Tls. 662.80	Tls. 669.90	Tls. 700.40	Tls. 694.70	Tls. 717.80
ShanghaiMexicanDollars per $100	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.80	Tls. 112.50	Tls. 112.40
Native Bank Rate of Interest (Call money)	Tls. 72.5⅞	Tls. 72 6⅜	Tls. 72.6⅜	Tls. 72.5¾	Tls. 72.4⅜	Tls. 72.4½
*Closing Price in London for Previous day	6%	5%	5%	6%	6%	5%
**Closing Price in New York for Previous day						

Bank of England rate of discount	6%	London on Paris	T/T 84 76
Bank of France rate of discount	2½%	New York on London	T/T 331½
London open Market of Dis. 3 m/s	5 11/16%	Bombay on London	T/T 1/6 1/16
" " 4 "	5¾	Hongkong on London	T/T 1/5⅜
" " 6 "	5⅞	Kobe on London	T/T 2/11⅜

FEARON, MAITLAND and SHAW

59-082

The National City Co. Gold Bond Quotations Received From Head Office

December 3, 1931.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	50½	—
City of Antwerp	5 % Dec. 1, 1958	80	6.60
Argentine Government	6 % May 1, 1960	55	11.33
Canadian National Railway Co.	5 % Oct. 1, 1969	85	6.01
Chile Government ..	6 % Jan. 1, 1961	15¼	—
City of Vienna	6 % Nov. 1, 1952	50	12.99
City of Yokchama ..	6 % Dec. 1, 1961	79½	7.77
German General Electric (A. E. G.)	6 % May 1, 1948	32½	—
German Central Bank for Agriculture.. ..	6 % Apr. 15, 1938	33	—
Greek Government ..	6 % Feb. 1, 1968	58	10.53
Japanese Government	6½% Feb. 1, 1954	93	7.13
Kingdom of Italy.. ..	7 % Dec. 1, 1951	83¾	8.76
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	10⅞	—
Nord Railway Co. ..	6½% Oct. 1, 1950	104	6.14
Norwegian Hydro-Elec. Nitrogen Corp.. ..	5½% Nov. 1, 1957	64	9.15
Oriental Development Co..	5½% Nov. 1, 1958	73	7.94
Paris - Lyons - Med. Railroad Co.	7 % Sept. 15, 1958	104	6.68
Republic of Costa Rica (Pacific Rwy.)	7½% Sept. 1, 1949	50	—
Republic of Finland ..	5½% Feb. 1, 1958	45¾	—
Republic of Peru	6 % Dec. 1, 1960	10	—
Rhine Westphalia Electric Power Corp. w.w.	6 % Aug. 1, 1953	33	—
Saxon Public Works ..	6½% May 1, 1951	27½	—
Saxon State Mortgage Institution	6½% Dec. 1, 1946	36	—
Toho Electric PowerCo. Notes (Japan)	6 % July 1, 1932	95	16.84
Tokyo ElectricLightCo. (Japan)..	6 % June 15, 1953	62½	10.40
Ujigawa ElectricPower Co. (Japan)	7 % Mar. 15, 1945	82	9.38
U. S. of Brazil	6½% Oct. 1, 1957	21	—
Anaconda Copper Mining Co.	Common Stock	12⅞	—
Baltimore & Ohio Railroad Co.	Common Stock	23½	—
Belgian National Rway. Peptg. Pfd. Stock ..	6 % (Amn. Shares)	63½	—
Pennsylvania Railroad Co.	Common Stock	22⅝	—
Socony-Vacuum Co ..	Common Stock	11⅜	—
United Aircraft and Transport Corp. ..	Common Stock	12⅝	—
Chicago Rapid Transit Co.	6½% July 1, 1944	38	—
CubanDominicanSugar Corp.	7½% Nov. 1, 1944	7	—
Pennsylvania - Dixie Cement Corp.	7 % Cum. Pfd. Stock	8	—
State of Minas Geraes Series "A"	6½% Sept. 1, 1959	18¾	—
QUOTATIONS RECEIVED FROM LONDON OFFICE			
Republic of China Gold Loan	5 % 1925	61	—
Chinese Govt. Re-org. (£) Loan Stamped ..	5 % 1913/60	60	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913/60	58	—
Chinese Govt. (Crisp Loan)	5 % 1912	37¼	—
Shanghai Nanking Railway	5 % 1904/08	41½	—
Shanghai Hangchow Ningpo Railway ..	5 % 1908/38	63½	—
Hukuang Railway ..	5 % 1911/1951	21	—
TientsinPukowRailway	5 % 1908/09	15	—

NOTE: The above quotations are received by cable and whilst believed to be correct, are not guaranteed.

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What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs Pieces; Mille—thousands;

WICHITA, October 7.

(Agents: American Pioneer Line.)

To U. S. of America.

Tea, Black, other kinds, Kiukiang ..... *Pls.* 32

Tea, Green:
- YoungHyson, Hangchow ,, 114
- Gunpowder, Hangchow ,, 403

Silk, Raw, Steam Filature:
- White, Shanghai *Bls.*75 ,, 73.53

Silk, Refuse:
- OtherPorts..... *Bls* 20 ,, 59.89
- Bristles ..... ,, 100
- Brassware ..... ,, 36
- Feathers, Goose ..... ,, 50
- Hair, Human ..... ,, 171
- Oil, Wood ..... ,, 6
- Skins, Rabbit ..... *Pcs.* 50,000

PRESIDENT MADISON, Oct. 8.

(Agents: Robert Dollar Co.)

From U. S. of America.

- Copper Ingots ..... *Pls.* 420
- Apples, Fresh ..... ,, 151
- Canned Fruits ..... ,, 45
- Herrings, Salt ..... ,, 66
- Flour, Wheat ..... ,, 277
- Milk, Evaporated..... ,, 234
- ,, Condensed..... ,, 252
- Paper, Bond..... ,, 273
- ,, Box Board ..... ,, 32
- ,, Printing(Wood free) ,, 964
- Varnishes ..... ,, 28
- Timber, Ordinary, Sawn, Softwood .....*Sup.ft.* 54,900
- Motor-cars ..... *Pcs.* 3
- Automobiles, Parts of *G.Units* 2,636

SILVERYEW, October 9

Agents: GlenLineEasternAgencies, Ltd.

From U. S. of America.

- Machines, Sewing..... *Pcs.* 250
- Cotton, Raw *Bls.* 6,728 *Pls.*23,738

Iron and Steel, Galvanized:
- Pipe Fittings..... *Pls.* 44
- Grease, Lubricating, Mineral ,, 6
- Newspapers, Old ..... ,, 2,100
- Paper, Printing..... ,, 423
- Petroleum, Grease ..... ,, 31
- Sulphur Black ..... ,, 670
- Tobacco, Leaf ..... ,, 2,925
- ,, Scraps..... ,, 1,543
- Oil, Lubricating, Mineral *Galls.* 8,876
- ,, Kerosene, in Case ... ,,151,500
- ,, ,, ,, bulk ... ,, 27,270
- Liquid Fuel *Tons.*1,178
- Dyes, Aniline *Pkgs.* 50*G.Units*3,101
- Machinery, & Parts of ,, 18,136

STEEL MAKER, October 9.

(Agents: U. S. Steel Products Co.)

From U. S. of America.

Iron and Steel, Ungalvanized:
- Hoops ..... *Pls.* 84
- Sheets and Plates ..... ,, 1,177
- Pipes and Tubes ..... ,, 248
- Tinned Plates, Plain... ,, 5,828
- ,, Wire ..... ,, 146
- Nails, Wire ..... ,, 375

Iron and Steel, Galvanized:
- Sheets, Plain..... ,, 1,162
- Pipes and Tubes ..... ,, 224
- Steel, Bamboo ..... ,, 2,927

EMPRESS OF CANADA, Oct. 12.

(Agents: CanadianPacificS.S.Co. Ltd.)

To U. S. of America.

- Tea, Scented, Foochow.. *Pls.* 8
- Silk Pongees, Manchurian ,, 0 91
- Silk, Raw, Reeled from Doupions:
- Shanghai ..... *Bls.*20 *Pls.* 19 91
- Silk, Raw, Steam Filature:
- White, Shanghai *Bls.*70 ,, 69.82
- Hair, Human ..... ,, 51
- Hats, Hemp..... *Pcs.*12,000
- Skins, Lamb, Untanned ,, 3,000

PRESIDENT VAN BUREN, October 12.

(Agents: Robert Dollar Co.)

From U. S. of America.

- Cotton Muslins, White... *Pcs.* 119
- ,, PieceGoodsWhite *Yds.* 600
- ,, Blanket Cloth ... *Pls.* 6
- ,, Blankets ..... ,, 3
- ,, Raw..... *Bls* 500 ,, 1,838
- Iron and Steel, Ungalvanized:
- Pipe Fittings..... *Pls.* 5
- Tinned Plates, Plain... ,, 450
- Tinfoil ..... ,, 3
- Apples, Fresh ..... ,, 30
- Canned Awabi ..... ,, 12
- Barley ..... ,, 1,500
- Canned Fruits ..... ,, 116
- Fruits, Dried ..... ,, 15
- Grapes, Fresh ..... ,, 72
- Grease ..... ,, 19
- Hides, Cow ..... ,, 275
- Ink, Printing..... ,, 33
- Leather, Calf and Kid ... ,, 7
- ,, Cow, Patent ... ,, 7
- Margarine..... *Pls.* 8
- Oranges, Fresh..... ,, 538
- Raisins, Dried ..... ,, 11
- Seed, Unclassed ..... ,, 17
- Shrimps, Dried..... ,, 140
- Soap, Household ..... ,, 5
- Twine ..... ,, 3
- Bags, Leather ..... *Pcs.* 144
- Motor-car Chassis..... ,, 3
- Motor-cars ..... ,, 26
- Typewriters ..... ,, 32
- Oil, Linseed..... *Galls.* 182
- ,, Lubricating, Mineral ,, 7,508
- Paints:
- Enamels ..... ,, 204
- Varnishes ..... ,, 100
- Unclassed ..... ,, 492
- Rum, for Tobacco Flavoring ,, 4,002
- Machinery, & Parts of *G. Units*15,524
- Motor-cars, Parts of ,, 956

EMPRESS OF RUSSIA, Oct. 13.

(Agents: CanadianPacificS.S.Co. Ltd.)

From U. S. of America.

- Lead, Pig..... *Pls.* 1,176
- Zinc Slabs ..... ,, 420
- Cobalt, Oxide of ..... ,, 8
- Paper, Sulphite..... ,, 1,321
- Tobacco, Prepared ..... ,, 184
- Motor-cars ..... *Pcs.* 9
- Motor-trucks, and Chassis of ,, 10
- Rubber Tires, Pneumatic:
- For Motor-cars..... ,, 303
- Rubber Inner Tubes:
- For Motor-cars..... ,, 93

EMPRESS OF CANADA, Oct. 13.

(Agents: CanadianPacificS.S.Co. Ltd.)

From U. S. of America.

- Milk, Condensed ..... *Pls.* 144

PRESIDENT JACKSON, Oct. 15.

(Agents: Robert Dollar Co.)

To U. S. of America.

Silk, Raw, Steam Filature:
- White, Shanghai *Bls.* :55 *Pls.*152.12

Silk, Waste:
- Shanghai ..... *Bls.*34 ,, 113.50
- Silk Piece Goods ..... ,, 4.95
- ,, Pongees, Honan ... ,, 4.20
- Tea, Leaf, Unfired:
- Kiukiang etc. ..... ,, 260
- Tea, Green:
- Gunpowder, Ningpo... ,, 298
- Beans, Broad ..... ,, 375
- Bristles, Assorted ..... *Pls.* 59
- Brassware ..... ,, 98
- Egg, Whole Egg, Frozen ,, 987
- Feathers, Goose..... ,, 42
- Chinaware, Fine ..... ,, 36
- Earthenware..... ,, 480
- Woodware ..... ,, 27
- Woollen Carpets ... *Hk.Tls.*1,847

VENICE MARU, October 16.

(Agents: Showa Shipping Co.)

From U. S. of America.

- Zinc Plates ..... *Pls.* 30
- Iron and Steel, Galvanized:
- Wire Rope ..... ,, 1,360
- Iron and Steel, Ungalvanized:
- Cables ..... *Pls.* 313
- Milk, Evaporated..... ,, 68
- Paper, Bond. ..... ,, 793
- Raisins ..... ,, 1,334
- Wheat ..... ,, 85,500

PRESIDENT McKINLEY, Oct. 17.

(Agents: Robert Dollar Co.)

From U. S. of America.

Cotton, Raw:
- American... *Bls.*1,484 *Pls.* 5,249
- Copper Ingots ..... ,, 420
- Expanded Metal ..... ,, 389
- Zinc Sheets ..... ,, 15
- Almonds, Dried ..... ,, 63
- Apples, Fresh ..... ,, 21
- Asbestos Sheets & Packing ,, 4
- ,, Products..... ,, 6
- Asphalt..... ..... ,, 883
- Barley, Pearl ..... ,, 21
- Canned Asparagus..... ,, 34
- ,, Awabi ..... ,, 345
- ,, Fruits ..... ,, 56
- Cheese ..... ,, 19
- Coffee ..... ,, 7
- Fruits, Dried..... ,, 65
- ,, Fresh ..... ,, 25
- Glucose ..... ,, 148
- Ink, Printing ..... ,, 266
- Oranges, Fresh..... ,, 56
- Paper, Common Printing ,, 1,147
- Petrolatum ..... ,, 71
- Raisins ..... ,, 563
- Shrimps, Dried..... ,, 117

TOKAI MARU, October 19.

(Agents: Osaka Shosen Kaisha.)

From U. S. of America.

- Borax ..... *Pls.* 504
- Cocoa Butter ..... ,, 34

Cotton, Raw:
- American, ... *Bls.* 50 *Pls.* 178
- Fibre Sheets, ... ,, 113
- Grease ..... ,, 32
- Quebracho Extract ..... ,, 1,075
- Tobacco, Leaf ..... ,, 9,435
- Wax, Paraffin ..... ,, 3,265

Rubber Tires:
- For Motor-cars..... *Pcs.* 17
- Cigarettes ..... *Mil's* 70
- Oil, Lubricating, Mineral *Galls.*69,750
- ,, Transformer ..... ,, 1,000
- Dyes, Aniline *Pkgs.* 18*G.Units* 2,381
- Motor-cars, Parts of..... ,, 1,793

MICHIGAN, October 19.

(Agents: States S. S. Co.)

From U. S. of America.

Timber, Softwood:
- Ordinary, Sawn...*Sup.ft.*1,441,010
- Merchantable ... ,, 35,505

OREGON, October 20.

(Agents: States S. S. Co.)

From U. S. of America.

- Paper, Bond..... *Pls.* 135
- ,, Common Printing ,, 3,363

Timber, Softwood:
- Ordinary, Sawn *Sup ft.*1,082,077
- Merchantable ,, 354,375
- Pilings..... ,, 67,230

PRESIDENT MADISON, Oct. 20.

(Agents: Robert Dollar Co.)

To U. S. of America.

Tea, Black, other kinds, Shanghai ..... *Pls.* 13

Silk, Raw, Steam Filature:
- White, Shanghai *Bls.*123 ,, 120.67

Silk, Raw, Reeled from Doupions:
- Shanghai ..... *Bls* 30 *Pls.* 29.93

Tea, Black, other kinds, Kiukiang ..... ,, 70

Tea, Green:
- Gunpowder, Ningpo... ,, 670
- YoungHyson, Hangchow, etc. ..... ,, 167
- Hyson, Kiukiang etc. ,, 61
- Feathers, Duck..... ,, 103
- Hair, Human .... ,, 211
- Tungsten Ore ..... ,, 588
- Skins, Lamb, Untanned.. *Pcs.* 4,000

PRESIDENT CLEVELAND, October 21.

(Agents: Robert Dollar Co.)

From U. S. of America.

- Apples, Fresh ..... *Pls.* 287

Cotton, Raw:
- American ... *Bls.*1,416 ,, 4,999
- Fish, Herrings, Salt..... ,, 28
- Flour, Wheat ..... ,, 1,863
- Lead, Pig..... ,, 838
- Milk, Condensed ..... ,, 116
- Paperboard Unclassed ... ,, 540
- Wood Pulp, Chimical ... ,, 830
- Motor Passenger Cars ... *Pcs.* 24

Rubber Tires:
- For Motor-cars..... ,, 55

Timber, Softwood:
- Ordinary, Sawn ...*Sup ft.* 264.780
- Merchantable ..... ,, 68,317

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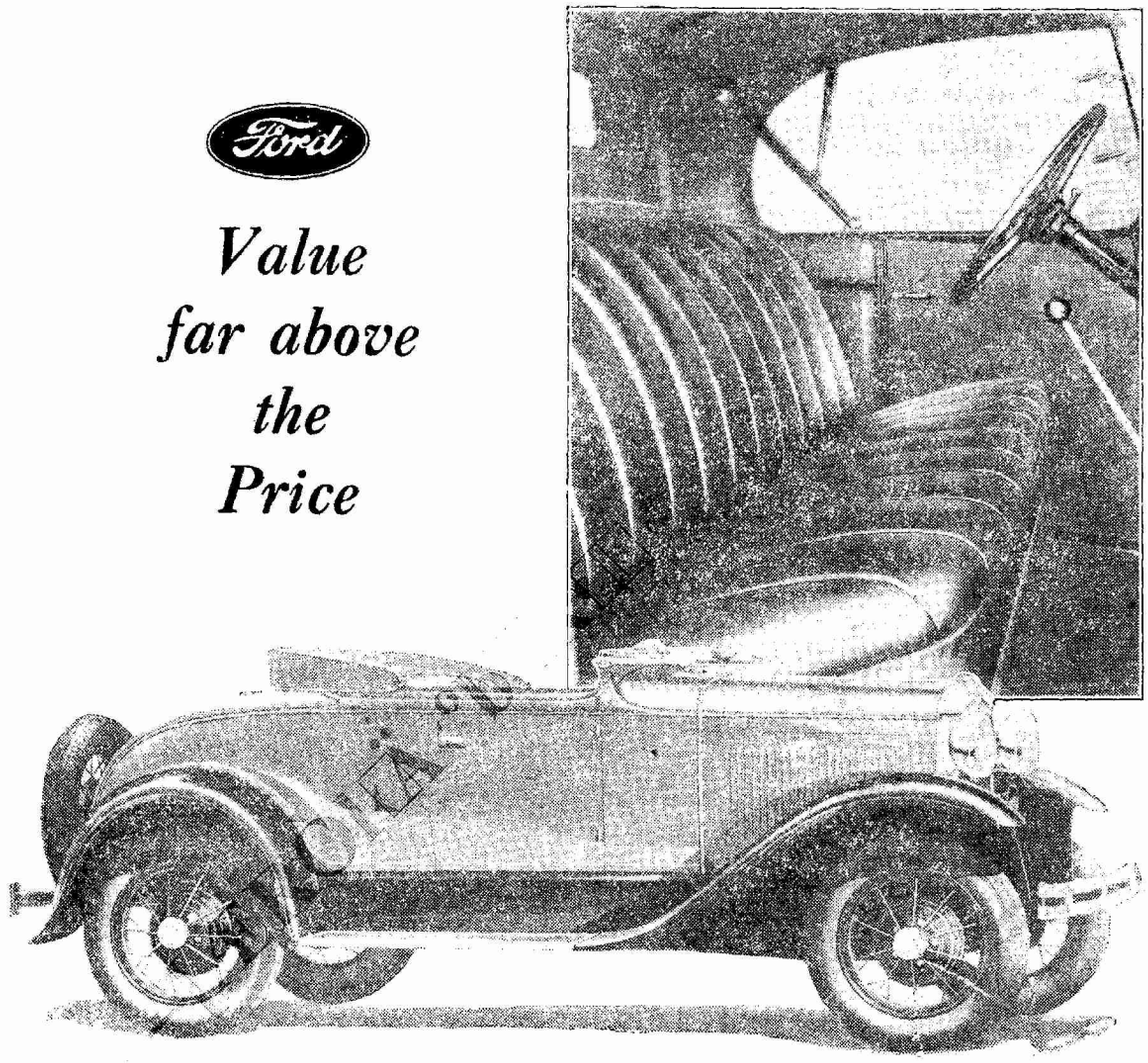

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